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No. 30

## House of Representatives

The House met at 12:30 p.m. and was called to order by the Speaker pro tempore (Mr. PEARCE).

### DESIGNATION OF SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC,  
March 14, 2005.

I hereby appoint the Honorable STEVAN PEARCE to act as Speaker pro tempore on this day.

J. DENNIS HASTERT,  
*Speaker of the House of Representatives.*

### MORNING HOUR DEBATES

The SPEAKER pro tempore. Pursuant to the order of the House of January 4, 2005, the Chair will now recognize Members from lists submitted by the majority and minority leaders for morning hour debates. The Chair will alternate recognition between the parties, with each party limited to not to exceed 30 minutes, and each Member, except the majority leader, the minority leader, or the minority whip, limited to not to exceed 5 minutes.

The Chair recognizes the gentleman from Michigan (Mr. McCOTTER) for 5 minutes.

### PLANT CLOSURE IN WIXOM, MICHIGAN

Mr. McCOTTER. Mr. Speaker, these are difficult times in southeastern Michigan, where the heirs to the arsenal of democracy still manufacture the best products in the world. In fact, this weekend the Ford Motor Company announced its Wixom assembly plant will incur an employee reduction of 11 percent when its Thunderbird line ends.

While we in my district are encouraged, the affected workers will be offered other positions at other Ford fa-

cilities. We nevertheless urge Ford to provide this assembly plant a new product line and, in so doing, keep the best workers in the world working in Wixom, Michigan.

### RECESS

The SPEAKER pro tempore. Pursuant to clause 12(a) of rule I, the Chair declares the House in recess until 2 p.m. today.

Accordingly (at 12 o'clock and 32 minutes p.m.), the House stood in recess until 2 p.m. today.

□ 1400

### AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Mr. PETRI) at 2 p.m.

### PRAYER

The Chaplain, the Reverend Daniel P. Coughlin, offered the following prayer:

God, always just and source of goodness and life, when life and problems are overwhelming, we turn to You. Help this Nation to see clearly its next step in history. Deepen the faith of the men and women who serve in Congress that they make their moves boldly and decisively because You are with them.

In a world of heightened violence and floating anger, people conflicted and helpless need Your guidance and the witness of faithful people steeped in virtue and committed to justice. May the ultimate effect of the actions of this House secure the freedom of Your people and bring order to households and communities everywhere. We ask Your blessing now and forever. Amen.

### THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the

last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

### PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore. Will the gentleman from Tennessee (Mr. COOPER) come forward and lead the House in the Pledge of Allegiance.

Mr. COOPER led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

### MESSAGE FROM THE SENATE

The message from the Senate by Mr. Monahan, one of its clerks, announced that the Senate has passed a bill of the following title in which the concurrence of the House is requested:

S. 250. An act to amend the Carl D. Perkins Vocational and Technical Education Act of 1998 to improve the Act.

The message also announced that pursuant to Public Law 106-286, the Chair, on behalf of the President of the Senate, and after consultation with the Majority Leader, appoints the following Members to serve on the Congressional-Executive Commission on the People's Republic of China:

The Senator from Nebraska (Mr. HAGEL), Chairman.

The Senator from Kansas (Mr. BROWNBACK).

The Senator from Oregon (Mr. SMITH).

The Senator from South Carolina (Mr. DEMINT), and

The Senator from Florida (Mr. MARTINEZ).

The message also announced that pursuant to section 1928a-1928d of title 22, United States Code, as amended, the Chair, on behalf of the Vice President, appoints the following Member as Vice

□ This symbol represents the time of day during the House proceedings, e.g., □ 1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.



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H1373

Chairman of the Senate Delegation to the North Atlantic Treaty Organization Parliamentary Assembly during the One Hundred Ninth Congress:

The Senator from Delaware (Mr. BIDEN).

The message also announced that pursuant to section 276h-276k of title 22, United States Code, as amended, the Chair, on behalf of the Vice President, appoints the following Member as Vice Chairman of the Senate Delegation to the Mexico-United States Interparliamentary Group conference during the One Hundred Ninth Congress:

The Senator from Connecticut (Mr. DODD).

The message also announced that pursuant to Public Law 106-567, as amended by section 1102, Public Law 108-458, the Chair, on behalf of the Majority Leader, appoints the following individual to serve as a member of the Public Interest Declassification Board: Joan Vail Grimson of Virginia.

#### IN MEMORY OF BETTY EASLER

(Mr. WILSON of South Carolina asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WILSON of South Carolina. Mr. Speaker, this afternoon the people of South Carolina honor the late Betty Easler with a memorial service at Asbury Memorial United Methodist Church in Columbia.

Betty was a graduate of Dreher High School, and she received undergraduate and masters degrees at the University of South Carolina.

Betty selflessly and tirelessly advocated for persons with disabilities and special needs and their families. She served as a counselor at the Department of Vocational Rehabilitation. She was executive director of the office of the Governor's Development Disabilities Council for Governor Carroll A. Campbell.

Betty was executive director of Protection and Advocacy for People with Disabilities and was employed as case manager for Intracorp, a division of Cigna Insurance Company.

All of this was achieved although she was born with spina bifida and was for a lifetime in a wheelchair.

In conclusion, God bless our troops. And we will never forget September 11.

#### RESTRAINING SPENDING

(Mr. COOPER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. COOPER. Mr. Speaker, President Bush says he wants to restrain spending. But regardless of the budget that the House passes this week, President Bush has never used his two constitutional powers to restrain spending. Number one, the big veto: he has never used it. He is the first President since James Garfield in 1881 never to use the veto. And poor President Garfield was

only in office for 6 months. President Bush is now in his fifth year of his Presidency.

Secondly, the little veto: I wrote an article on this in the New York Times last Friday. The rescission power. All President Bush needs is a majority of House and Senate Republicans to support his spending cuts, and he can cut anything in the Federal Government that he wants to. The rescission power is filibuster-proof. He does not need 60 votes in the Senate. He has Fast Track pressure on Congress to respond, but he has never used that little veto power either.

President Clinton used it 163 times. When has President Bush ever used either the big veto power or the little veto power? The American public needs to know.

#### SOCIAL SECURITY

(Mr. PRICE of Georgia asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PRICE of Georgia. Mr. Speaker, Social Security was an innovative program back in 1940 when the first Social Security recipient, Ida May Fuller, opened her mailbox to find a check from Uncle Sam. To Americans back then, the Social Security program was a dream come true and real security.

For every Ida May Fuller, there were 42 younger workers contributing to their retirement; 42 workers for every retiree.

Now let us fast forward to today. Under the current system, your payroll taxes are immediately used to pay the benefits for today's retirees. This pay-as-you-go system works when many people are paying in and fewer are collecting benefits.

But today seniors are living longer and collecting more benefits. As a result, there are fewer workers paying into the system per retiree; 3.3 to be exact. And in the near future, there will be fewer than two workers per retiree.

Mr. Speaker, if we do not fix the system now, the only thing our children and grandchildren will receive in their mailbox is a giant IOU. Let us work together to provide real security for all Americans. The time to act is now.

#### COMMUNICATION FROM CHAIRMAN OF COMMITTEE ON WAYS AND MEANS

The SPEAKER pro tempore laid before the House the following communication from the Honorable BILL THOMAS, Chairman, Committee on Ways and Means:

COMMITTEE ON WAYS AND MEANS,  
LONGWORTH HOUSE OFFICE BUILDING,  
Washington, DC, February 7, 2005.

Hon. J. DENNIS HASTERT,  
Speaker, House of Representatives,  
U.S. Capitol, Washington, DC.

DEAR MR. SPEAKER: I am forwarding to you the Committee's recommendations for certain positions for the 109th Congress.

First, pursuant to Section 8002 of the Internal Revenue Code of 1986, the Committee designated the following Members to serve on the Joint Committee on Taxation: Mr. Thomas, Mr. Shaw, Mrs. Johnson, Mr. Rangel, and Mr. Stark.

Second, pursuant to Section 161 of the Trade Act of 1974, the Committee recommended the following Members to serve as official advisors for international conference meetings and negotiating sessions on trade agreements: Mr. Thomas, Mr. Shaw, Mr. Herger, Mr. Rangel, and Mr. Cardin.

Third, pursuant to House Rule X, Clause 5(a)(2)(A)(i), the Committee designated the following Members to serve on the Committee on the Budget: Mr. Portman, Mr. Ryan, Mr. Hulshof, Mr. Neal, and Mr. Jefferson.

Best regards,

BILL THOMAS,  
Chairman.

#### ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to section 161(a) of the Trade Act of 1974 (19 U.S.C. 2211), and the order of the House of January 4, 2005, the Chair announces the Speaker's appointment of the following Members of the House as congressional advisers on trade policy and negotiations:

Mr. THOMAS, California,  
Mr. SHAW, Florida,  
Mr. HERGER, California,  
Mr. RANGEL, New York and  
Mr. CARDIN, Maryland.

#### IN REMEMBRANCE OF CHARLES R. BAXTER

(Mr. BURGESS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BURGESS. Mr. Speaker, it is my sad duty to report to the House that we lost a pioneer in medicine this weekend down in Dallas: Dr. Charles Baxter, a surgeon whose research in clinical skills saved thousands of lives over the years.

Dr. Baxter will be remembered for a lot of things back home, not the least of which was his treatment of a severely burned patient and his introduction of very aggressive fluid management in the initial hours after the burn had occurred, saving countless patients from going into acute renal failure, dealing with what was then one of the principal causes of death in the severely burned patient.

It was reported in the newspaper this weekend that Dr. Baxter, in an effort one time to bring the spirits up of a young 8-year-old girl who had been burned over 92 percent of her body, brought an Airedale puppy into the burn unit at Parkland. He scrubbed it down with antibacterial cleanser and brought the girl a new reason to continue on in her struggle to recover from her burn.

I remember Dr. Baxter when I was a resident down in the operating room. He had a heart attack a few days before, but was down there in the wheelchair in the surgery office barking out

orders to his residents at the surgery board to keep them on schedule.

And, of course, the country remembers Dr. Baxter. From that terrible day in November of 1963, Dr. Baxter was the head of the emergency room when John Kennedy was brought into the facility at Parkland Hospital.

Mr. Speaker, all of us in Dallas and across the country mourn the passing of Dr. Baxter, and our thoughts and prayers will be with his family during this time.

#### ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, the Chair will postpone further proceedings today on motions to suspend the rules on which a recorded vote or the yeas and nays are ordered, or on which the vote is objected to under clause 6 of rule XX.

Record votes on postponed questions will be taken after 6:30 p.m. today.

#### ADJUSTING THE NUMBER OF FREE ROAMING HORSES PERMITTED IN CAPE LOOKOUT NATIONAL SEASHORE

Mr. JONES of North Carolina. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 126) to amend Public Law 89-366 to allow for an adjustment in the number of free roaming horses permitted in Cape Lookout National Seashore.

The Clerk read as follows:

H.R. 126

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

#### SECTION 1. ADJUSTMENT IN NUMBER OF FREE ROAMING HORSES PERMITTED IN CAPE LOOKOUT NATIONAL SEA- SHORE, NORTH CAROLINA.

(a) IN GENERAL.—The first subsection (b) of section 5 of Public Law 89-366 (16 U.S.C. 459g-4) is amended—

(1) in paragraph (1), by striking “100 free roaming horses” and inserting “not less than 110 free roaming horses, with a target population of between 120 and 130 free roaming horses.”;

(2) in paragraph (3), by striking subparagraph (B) and inserting the following new subparagraph:

“(B) unless removal is carried out as part of a plan to maintain the viability of the herd; or”;

(3) in paragraph (5), by striking “100” and inserting “110”.

(b) REPEAL OF DUPLICATE SUBSECTION.—Section 5 of Public Law 89-366 is further amended—

(1) in subsection (a), by striking “(a)” after “(a)”;

(2) by striking the second subsection (b).

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from North Carolina (Mr. JONES) and the gentlewoman from the Virgin Islands (Mrs. CHRISTENSEN) each will control 20 minutes.

The Chair recognizes the gentleman from North Carolina (Mr. JONES).

GENERAL LEAVE

Mr. JONES of North Carolina. Mr. Speaker, I ask unanimous consent that

all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on the bill under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. JONES of North Carolina. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 126, introduced by me, would allow for the adjustment in the number of free-roaming horses permitted in the Cape Lookout National Seashore. Specifically, H.R. 126 would permit the number of free-roaming horses to increase to 110 from its current level of 100, with a targeted population between 120 and 130 horses, and would not permit the removal of the horses unless the removal is carried out as part of a plan to maintain the viability of the herd.

H.R. 126 is identical to legislation that was supported by the majority and minority and passed the House of Representatives during the 108th Congress.

I urge adoption of the bill.

Mr. Speaker, I reserve the balance of my time.

Mrs. CHRISTENSEN. Mr. Speaker, I yield myself such time as I may consume.

(Mrs. CHRISTENSEN asked and was given permission to revise and extend her remarks.)

Mrs. CHRISTENSEN. Mr. Speaker, as the majority has explained, H.R. 126 makes a number of slight adjustments in the management of the herd as a means to assure their long-term survival.

Over the course of the last several hundred years, a herd of wild horses has established itself on the Shackelford Banks area of Cape Lookout, North Carolina. The herd developed on the banks because of shipwrecks and abandonment. When the National Seashore was established, there were approximately 100 wild horses on the barrier island. Since that time, the National Park Service has taken steps to control the herd size to prevent damage to park resources.

Mr. Speaker, H.R. 126 is a workable solution to the wild-horse management needs at Cape Lookout, and we support adoption of this legislation by the House today.

Mr. Speaker, I yield back the balance of my time.

Mr. JONES of North Carolina. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from North Carolina (Mr. JONES) that the House suspend the rules and pass the bill, H.R. 126.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

#### LLAGAS RECLAMATION GROUND- WATER REMEDIATION INITIA- TIVE

Mr. JONES of North Carolina. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 186) to authorize the Secretary of the Interior, acting through the Bureau of Reclamation and in coordination with other Federal, State, and local government agencies, to participate in the funding and implementation of a balanced, long-term groundwater remediation program in California, and for other purposes, as amended.

The Clerk read as follows:

H.R. 186

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

#### SECTION 1. SHORT TITLE.

This Act may be cited as the “Llagas Reclamation Groundwater Remediation Initiative”.

#### SEC. 2. DEFINITIONS.

For the purposes of this Act:

(1) GROUNDWATER REMEDIATION.—The term “groundwater remediation” means actions that are necessary to prevent, minimize, or mitigate damage to groundwater.

(2) LOCAL WATER AUTHORITY.—The term “local water authority” means the Santa Clara Valley Water District.

(3) REMEDIATION FUND.—The term “Remediation Fund” means the California Basins Groundwater Remediation Fund established pursuant to section 3(a).

(4) SECRETARY.—The term “Secretary” means the Secretary of the Interior.

#### SEC. 3. CALIFORNIA BASINS REMEDIATION.

(a) CALIFORNIA BASINS REMEDIATION.—

(1) ESTABLISHMENT OF REMEDIATION FUND.—There shall be established within the Treasury of the United States an interest bearing account to be known as the California Basins Groundwater Remediation Fund.

(2) ADMINISTRATION OF REMEDIATION FUND.—The Remediation Fund shall be administered by the Secretary of the Interior, acting through the Bureau of Reclamation. The Secretary shall administer the Remediation Fund in cooperation with the local water authority.

(3) PURPOSES OF REMEDIATION FUND.—

(A) IN GENERAL.—Subject to subparagraph (B), the amounts in the Remediation Fund, including interest accrued, shall be used by the Secretary to provide grants to the local water authority to reimburse the local water authority for the Federal share of the costs associated with designing and constructing groundwater remediation projects to be administered by the local water authority.

(B) COST-SHARING LIMITATION.—

(i) IN GENERAL.—The Secretary may not obligate any funds appropriated to the Remediation Fund in a fiscal year until the Secretary has deposited into the Remediation Fund an amount provided by non-Federal interests sufficient to ensure that at least 35 percent of any funds obligated by the Secretary for a project are from funds provided to the Secretary for that project by the non-Federal interests.

(ii) NON-FEDERAL RESPONSIBILITY.—Each local water authority shall be responsible for providing the non-Federal amount required by clause (i) for projects under that local water authority. The State of California, local government agencies, and private entities may provide all or any portion of the non-Federal amount.

(iii) CREDITS TOWARD NON-FEDERAL SHARE.—For purposes of clause (ii), the Secretary

shall credit the appropriate local water authority with the value of all prior expenditures by non-Federal interests made after January 1, 2000, that are compatible with the purposes of this section, including—

(I) all expenditures made by non-Federal interests to design and construct groundwater remediation projects, including expenditures associated with environmental analyses and public involvement activities that were required to implement the groundwater remediation projects in compliance with applicable Federal and State laws; and

(II) all expenditures made by non-Federal interests to acquire lands, easements, rights-of-way, relocations, disposal areas, and water rights that were required to implement a groundwater remediation project.

(b) COMPLIANCE WITH APPLICABLE LAW.—In carrying out the activities described in this section, the Secretary shall comply with any applicable Federal and State laws.

(c) RELATIONSHIP TO OTHER ACTIVITIES.—Nothing in this section shall be construed to affect other Federal or State authorities that are being used or may be used to facilitate remediation and protection of the Llagas groundwater subbasin. In carrying out the activities described in this section, the Secretary shall integrate such activities with ongoing Federal and State projects and activities. None of the funds made available for such activities pursuant to this section shall be counted against any Federal authorization ceiling established for any previously authorized Federal projects or activities.

(d) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to the Remediation Fund \$25,000,000. Subject to the limitations in section 4, such funds shall remain available until expended.

#### SEC. 4. SUNSET OF AUTHORITY.

This Act—

(1) shall take effect on the date of the enactment of this Act; and

(2) is repealed effective as of the date that is 10 years after the date of the enactment of this Act.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from North Carolina (Mr. JONES) and the gentlewoman from the Virgin Islands (Mrs. CHRISTENSEN) each will control 20 minutes.

The Chair recognizes the gentleman from North Carolina (Mr. JONES).

#### GENERAL LEAVE

Mr. JONES of North Carolina. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on the bill under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. JONES of North Carolina. Mr. Speaker, I yield myself such time as I may consume.

This legislation, authored by the gentleman from California (Mr. POMBO), distinguished chairman of the Committee on Resources, helps remediate the groundwater basin in Santa Clara, California.

Chemicals, such as perchlorate, have been detected in over 500 wells around the communities of Morgan Hill and San Martin, California. As a result, more than 1,000 residents are now being supplied with bottled water.

This bill provides a long-term solution to this growing problem. H.R. 186 would provide up to \$25 million in Federal funding to clean up groundwater near these communities over a 10-year period.

□ 1415

This funding mechanism is based on a practical working model currently under way in the San Gabriel Basin in southern California. Everyone agrees on the need for safe drinking water for our communities. This bill reflects this consensus and puts words into real action. I urge my colleagues to support this important bill.

Mr. Speaker, I reserve the balance of my time.

Mrs. CHRISTENSEN. Mr. Speaker, I yield myself such time as I may consume.

(Mrs. CHRISTENSEN asked and was given permission to revise and extend her remarks.)

Mrs. CHRISTENSEN. Mr. Speaker, we support passage of H.R. 186, which will provide financial assistance for cleaning up contaminated drinking water supplies in the Santa Clara Valley area of southern California. I appreciate the support of the leadership demonstrated by the gentleman from California (Mr. POMBO) on this important matter.

Mr. Speaker, I yield back the balance of my time.

Mr. JONES of North Carolina. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. PETRI). The question is on the motion offered by the gentleman from North Carolina (Mr. JONES) that the House suspend the rules and pass the bill, H.R. 186, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

#### DEPARTMENT OF THE INTERIOR VOLUNTEER RECRUITMENT ACT OF 2005

Mr. JONES of North Carolina. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 584) to authorize the Secretary of the Interior to recruit volunteers to assist with, or facilitate, the activities of various agencies and offices of the Department of the Interior.

The Clerk read as follows:

H.R. 584

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

#### SECTION 1. SHORT TITLE.

This Act may be cited as the "Department of the Interior Volunteer Recruitment Act of 2005".

#### SEC. 2. PURPOSE.

The purpose of this Act is to authorize the Secretary of the Interior to recruit and use volunteers to assist with, or facilitate, the

programs of the Bureau of Indian Affairs, the United States Geological Survey, the Bureau of Reclamation, and the Office of the Secretary.

#### SEC. 3. VOLUNTEER AUTHORITY.

(a) IN GENERAL.—The Secretary of the Interior may recruit, train, and accept, without regard to the civil service classification laws, rules, or regulations, the services of individuals, contributed without compensation as volunteers, for aiding in or facilitating the activities administered by the Secretary through the Bureau of Indian Affairs, the United States Geological Survey, the Bureau of Reclamation, and the Office of the Secretary.

(b) RESTRICTIONS ON ACTIVITIES OF VOLUNTEERS.—

(1) IN GENERAL.—In accepting such services of individuals as volunteers, the Secretary shall not permit the use of volunteers in law enforcement work, in regulatory and enforcement work, in policymaking processes, or to displace any employee.

(2) PRIVATE PROPERTY.—No volunteer services authorized by this Act may be conducted on private property unless the officer or employee charged with supervising the volunteer obtains appropriate consent to enter the property from the property owner.

(3) HAZARDOUS DUTY.—The Secretary may accept the services of individuals in hazardous duty only upon a determination by the Secretary that such individuals are skilled in performing hazardous duty activities.

(4) SUPERVISION.—The Secretary shall ensure that an appropriate officer or employee of the United States provides adequate and appropriate supervision of each volunteer whose services the Secretary accepts.

(c) PROVISION OF SERVICES AND COSTS.—The Secretary may provide for services and costs incidental to the utilization of volunteers, including transportation, supplies, uniforms, lodging, subsistence (without regard to place of residence), recruiting, training, supervision, and awards and recognition (including nominal cash awards).

(d) FEDERAL EMPLOYMENT STATUS OF VOLUNTEERS.—

(1) Except as otherwise provided in this subsection, a volunteer shall not be deemed a Federal employee and shall not be subject to the provisions of law relating to Federal employment, including those provisions relating to hours of work, rates of compensation, leave, unemployment compensation, and Federal employee benefits.

(2) Volunteers shall be deemed employees of the United States for the purposes of—

(A) the tort claims provisions of title 28, United States Code;

(B) subchapter I of chapter 81 of title 5, United States Code; and

(C) claims relating to damage to, or loss of, personal property of a volunteer incident to volunteer service, in which case the provisions of section 3721 of title 31, United States Code, shall apply.

(3) Volunteers under this Act shall be subject to chapter 11 of title 18, United States Code, unless the Secretary, with the concurrence of the Director of the Office of Government Ethics, determines in writing published in the Federal Register that the provisions of that chapter, except section 201, shall not apply to the actions of a class or classes of volunteers who carry out only those duties or functions specified in the determination.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from North Carolina (Mr. JONES) and the gentlewoman from the Virgin Islands (Mrs. CHRISTENSEN) each will control 20 minutes.

The Chair recognizes the gentleman from North Carolina (Mr. JONES).

GENERAL LEAVE

Mr. JONES of North Carolina. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on H.R. 584.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. JONES of North Carolina. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 584, introduced by the gentleman from California (Mr. POMBO), would authorize the Secretary of the Interior to establish voluntary programs in the Bureau of Indian Affairs, the U.S. Geological Survey, the Bureau of Reclamation and the Office of the Secretary. With this authority, these four bureaus would be able to parallel the successful volunteer programs in the National Park Service and the U.S. Fish and Wildlife Service to recruit volunteers to assist with or facilitate the activities within the agencies.

Over 200,000 volunteers annually serve as campground hosts, clear trails, help with seasonal bird surveys, collect new information for maps and assist with many other day-to-day activities. Simply put, volunteers provide the Department of the Interior vital services to help it meet its mission responsibilities. Volunteer programs within the Department also provide outstanding opportunities for community service and public involvement in conservation programs.

H.R. 584 is identical to legislation that was supported by the majority and minority and passed the House of Representatives with a voice vote during the 108th Congress. I urge adoption of the bill.

Mr. Speaker, I reserve the balance of my time.

Mrs. CHRISTENSEN. Mr. Speaker, I yield myself such time as I may consume.

(Mrs. CHRISTENSEN asked and was given permission to revise and extend her remarks.)

Mrs. CHRISTENSEN. Mr. Speaker, the majority has explained the purpose of this legislation which the gentleman from California (Mr. POMBO) introduced at the administration's request. The gentleman from California (Mr. POMBO) succeeded in moving this legislation through the House during the last Congress, including several changes made at the request of the minority. We appreciate the chairman's decision to include those changes in H.R. 584 as well, and urge our colleagues to support this legislation.

Mr. Speaker, I yield back the balance of my time.

Mr. JONES of North Carolina. Mr. Speaker, I have no additional speakers, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from North Carolina (Mr. JONES) that the House suspend the rules and pass the bill, H.R. 584.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

**DIRECTING SECRETARY OF THE INTERIOR TO CONVEY CERTAIN LAND HELD IN TRUST FOR PAIUTE INDIAN TRIBE OF UTAH TO CITY OF RICHFIELD, UTAH**

Mr. JONES of North Carolina. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 680) to direct the Secretary of the Interior to convey certain land held in trust for the Paiute Indian Tribe of Utah to the City of Richfield, Utah, and for other purposes.

The Clerk read as follows:

H.R. 680

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

**SECTION 1. LAND CONVEYANCE TO CITY.**

(a) AUTHORIZATION FOR CONVEYANCE.—Not later than 90 days after the Secretary receives a request from the Tribe and the City to convey all right, title, and interest of the United States and the Tribe in and to the Property to the City, the Secretary shall take the Property out of trust status and convey the Property to the City.

(b) TERMS AND CONDITIONS.—The conveyance under subsection (a) shall be subject to the following conditions:

(1) TRIBAL RESOLUTION.—Prior to conveying the Property under subsection (a), the Secretary shall ensure that the terms of the sale have been approved by a tribal resolution of the Tribe.

(2) CONSIDERATION.—Consideration given by the City for the Property shall be not less than the appraised fair market value of the Property.

(3) NO FEDERAL COST.—The City shall pay all costs related to the conveyance authorized under this section.

(c) PROCEEDS OF SALE.—The proceeds from the conveyance of the Property under this section shall be given immediately to the Tribe.

(d) FAILURE TO MAKE CONVEYANCE.—If after the Secretary takes the Property out of trust status pursuant to subsection (a) the City or the Tribe elect not to carry out the conveyance under that subsection, the Secretary shall take the Property back into trust for the benefit of the Tribe.

**SEC. 2. TRIBAL RESERVATION.**

Land acquired by the United States in trust for the Tribe after February 17, 1984, shall be part of the Tribe's reservation.

**SEC. 3. TRUST LAND FOR SHIVWITS OR KANOSH BANDS.**

If requested to do so by a tribal resolution of the Tribe, the Secretary shall take land held in trust by the United States for the benefit of the Tribe out of such trust status and take that land into trust for the Shivwits or Kanosh Bands of the Paiute Indian Tribe of Utah, as so requested by the Tribe.

**SEC. 4. CEDAR BAND OF PAIUTES TECHNICAL CORRECTION.**

The Paiute Indian Tribe of Utah Restoration Act (25 U.S.C. 761) is amended by strik-

ing "Cedar City" each place it appears and inserting "Cedar". Any reference in a law, map, regulation, document, paper, or other record of the United States to the "Cedar City Band of Paiute Indians" shall be deemed to be a reference to the "Cedar Band of Paiute Indians".

**SEC. 5. DEFINITIONS.**

For the purposes of this Act:

(1) CITY.—The term "City" means the City of Richfield, Utah.

(2) PROPERTY.—The term "Property" means the parcel of land held by the United States in trust for the Paiute Indian Tribe of Utah located in Section 2, Township 24 South, Range 3 West, Salt Lake Base and Meridian, Sevier County, Utah and more particularly described as follows: Beginning at a point on the East line of the Highway which is West 0.50 chains, more or less, and South 8° 21' West, 491.6 feet from the Northeast Corner of the Southwest Quarter of Section 2, Township 24 South, Range 3 West, Salt Lake Base and Meridian, and running thence South 81° 39' East, perpendicular to the highway, 528.0 feet; thence South 26° 31' West, 354.6 feet; thence North 63° 29' West, 439.3 feet to said highway; thence North 8° 21' East, along Easterly line of said highway 200.0 feet to the point of beginning, containing 3.0 acres more or less.

(3) SECRETARY.—The term "Secretary" means the Secretary of the Interior.

(4) TRIBE.—The term "Tribe" means the Paiute Indian Tribe of Utah.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from North Carolina (Mr. JONES) and the gentlewoman from the Virgin Islands (Mrs. CHRISTENSEN) each will control 20 minutes.

The Chair recognizes the gentleman from North Carolina (Mr. JONES).

GENERAL LEAVE

Mr. JONES of North Carolina. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on H.R. 680.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. JONES of North Carolina. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 680 is sponsored by the gentleman from Utah (Mr. CANON). The legislation authorizes the Secretary of the Interior to take a three-acre parcel of land owned by the Paiute Indian Tribe out of trust so that the tribe can sell it to the City of Richfield, Utah. The land would be sold only on a willing seller's basis for fair market value and would be used by the city to expand its municipal airport.

The bill also authorizes the Secretary to transfer three parcels of trust land to two of the Tribe's constituent bands. The parcels, each of which is one acre or less, will remain in trust for the benefit of the individual bands.

Finally, H.R. 680 changes the name of the Cedar City Band of Paiute Indians of Utah to the Cedar Band of Paiute Indians of Utah.

The tribe and all local entities support the bill. An identical version of this bill was passed in the House on October 10, 2004, but no action occurred in

the Senate before the Congress adjourned.

I urge the adoption of this non-controversial bill.

Mr. Speaker, I reserve the balance of my time.

Mrs. CHRISTENSEN. Mr. Speaker, I yield myself such time as I may consume.

(Mrs. CHRISTENSEN asked and was given permission to revise and extend her remarks.)

Mrs. CHRISTENSEN. Mr. Speaker, as Congressional action is required for lands in trust to be sold and the Paiute Indian Tribe of Utah has contacted us for assistance, we are supportive of authorizing the Secretary to convey these lands as directed by the Tribe. We support the Tribe's sovereign decision to sell these lands and wish them the best in further economic development.

We urge our colleagues to support H.R. 680.

Mr. Speaker, I yield back the balance of my time.

Mr. JONES of North Carolina. Mr. Speaker, I have no additional speakers, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from North Carolina (Mr. JONES) that the House suspend the rules and pass the bill, H.R. 680.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

#### NEVADA NATIONAL FOREST LAND DISPOSAL ACT OF 2005

Mr. JONES of North Carolina. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 816) to direct the Secretary of Agriculture to sell certain parcels of National Forest System land in Carson City and Douglas County, Nevada.

The Clerk read as follows:

H.R. 816

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

#### SECTION 1. SHORT TITLE.

This Act may be cited as the "Nevada National Forest Land Disposal Act of 2005".

#### SEC. 2. FINDINGS AND PURPOSE.

(a) FINDINGS.—Congress finds the following:

(1) The United States owns, and the Forest Service administers, land in small and large parcels in Carson City and Douglas County, Nevada.

(2) Much of this Federal land is interspersed with or adjacent to private land, which renders the Federal land difficult, inefficient, and expensive for the Forest Service to manage and more appropriate for disposal.

(3) In order to promote responsible and orderly development in Carson City and Douglas County, Nevada, appropriate parcels of the Federal land should be sold by the Federal Government based on recommendations made by units of local government and the public.

(b) PURPOSE.—The purpose of this Act is to provide for the sale of certain parcels of National Forest System land in Carson City and Douglas County, Nevada.

#### SEC. 3. DISPOSAL OF NATIONAL FOREST SYSTEM LANDS, CARSON CITY AND DOUGLAS COUNTY, NEVADA.

(a) DISPOSAL REQUIRED.—The Secretary of Agriculture (in this section referred to as the "Secretary") shall sell any right, title, or interest of the United States in and to the following parcels of National Forest System lands in Carson City or Douglas County, Nevada:

(1) The parcel of land referred to as the "Carson Parcel", consisting of approximately 3 acres, and more particularly described as being a portion of the southeast quarter, section 31, township 15 north, range 20 east, Mount Diablo Base and Meridian.

(2) The parcel of land referred to as the "Jacks Valley/Highway 395 Parcel", consisting of approximately 28 acres, and more particularly described as being a portion of the northwest quarter of the southeast quarter, section 6, township 14 north, range 20 east, Mount Diablo Base and Meridian.

(3) The parcel of land referred to as the "Indian Hills Parcel", consisting of approximately 75 acres, and more particularly described as being a portion of the southwest quarter, section 18, township 14 north, range 20 east, Mount Diablo Base and Meridian.

(4) The parcel of land referred to as the "Mountain House Area Parcel", consisting of approximately 40 acres, and more particularly described as being a portion of the northwest quarter of the northeast quarter, section 12, township 10 north, range 21 east, Mount Diablo Base and Meridian.

(5) The parcel of land referred to as the "Holbrook Junction Area Parcel", consisting of approximately 80 acres, and more particularly described as being a portion of the west half of the southwest quarter, section 7, township 10 north, range 22 east, Mount Diablo Base and Meridian.

(6) The two parcels of land referred to as the "Topaz Lake Parcels", consisting of approximately 5 acres (approximately 2.5 acres per parcel), and more particularly described as being portions of the northwest quarter, section 29, township 10 north, range 22 east, Mount Diablo Base and Meridian.

(b) MODIFICATION OF DESCRIPTIONS.—The Secretary may—

(1) correct typographical or clerical errors in the descriptions of land specified in subsection (a); and

(2) for the purposes of soliciting offers for the sale of such land, modify the descriptions based on—

(A) a survey; or

(B) a determination by the Secretary that the modification is in the best interest of the public.

(c) SELECTION AND SALE.—

(1) COORDINATION.—The Secretary shall coordinate the sale of land under this section with the unit of local government in which the land is located.

(2) EXISTING RIGHTS.—The sale of land under this section shall be subject to all valid existing rights, such as rights-of-way, in effect as of the date of the sale. In the case of the parcel described in subsection (a)(2), all access rights in and to United States Highway 395, together with any and all abutter's rights adjacent to the westerly right-of-way line of such highway, within the parcel shall be restricted.

(3) ZONING LAWS.—The sale of land under this section shall be in accordance with local land use planning and zoning laws and regulations.

(4) SOLICITATIONS OF OFFERS.—The Secretary shall solicit offers for the sale of land under this section, subject to any terms or

conditions that the Secretary may prescribe. The Secretary may reject any offer made under this section if the Secretary determines that the offer is not adequate or not in the public interest.

(5) METHOD OF SALE.—The Secretary shall sell the land described in subsection (a) at public auction.

(d) DISPOSITION OF PROCEEDS.—

(1) PAYMENTS AND DEPOSITS.—Of the gross proceeds from any sale of land under this section, the Secretary shall—

(A) pay five percent to the State of Nevada for use for the general education program of the State;

(B) pay five percent to the Carson Water Subconservancy District in the State;

(C) deposit 25 percent in the fund established under Public Law 90-171 (commonly known as the "Sisk Act"; 16 U.S.C. 484a); and

(D) retain and use, without further appropriation, the remaining funds for the purpose of expanding the Minden Interagency Dispatch Center in Minden, Nevada, as provided in paragraph (3).

(2) USE OF SISK ACT FUNDS.—The amounts deposited under paragraph (1)(C) shall be available to the Secretary until expended, without further appropriation, for the following purposes:

(A) Reimbursement of costs incurred by the local offices of the Forest Service in carrying out land sales under this section, except that the total amount of reimbursement may not exceed 10 percent of the total proceeds of the lands sales.

(B) The development and maintenance of parks, trails, and natural areas in Carson City, Douglas County, or Washoe County, Nevada, in accordance with a cooperative agreement entered into with the unit of local government in which the park, trail, or natural area is located.

(3) MINDEN INTERAGENCY DISPATCH CENTER.—The Minden Interagency Dispatch Center is located on land made available by the State of Nevada in Minden, Nevada, and will serve as a joint facility for the Forest Service and the Nevada Division of Forestry for the purpose of fighting wildland fires. The expansion of the center shall include living quarters and office space for the Blackmountain Hotshot Crew, a guard station for housing engines and patrol vehicles, an air traffic control tower, a training facility, and a warehouse.

(4) LIMITATION.—None of the amounts made available to the Carson Water Subconservancy District under paragraph (1)(B) shall be used to pay the costs of litigation.

(e) RELATION TO OTHER PROPERTY MANAGEMENT LAWS.—The land described in subsection (a) shall not be subject to chapter 5 of title 40, United States Code.

(f) WITHDRAWAL.—Subject to valid existing rights, all Federal land described in subsection (a) is withdrawn from location, entry, and patent under the public land laws, mining laws, and mineral leasing laws, including geothermal leasing laws.

(g) REVOCATION OF PUBLIC LAND ORDERS.—

(1) IN GENERAL.—To facilitate the sale of parcels of land described in subsection (a), the Secretary shall revoke any public land orders in existence on the date of the enactment of this Act that withdraw the parcels from all forms of appropriation under the public land laws, to the extent that the orders apply to land described in such subsection (a).

(2) EFFECTIVE DATE.—A revocation under paragraph (1) shall be effective on the date on which the instrument conveying the parcels of land subject to the public land order is executed.

(h) REPORT.—The Secretary shall submit to the Committee on Agriculture and the Committee on Resources of the House of

Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate an annual report on all land sales made under this section.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from North Carolina (Mr. JONES) and the gentlewoman from the Virgin Islands (Mrs. CHRISTENSEN) each will control 20 minutes.

The Chair recognizes the gentleman from North Carolina (Mr. JONES).

GENERAL LEAVE

Mr. JONES of North Carolina. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on H.R. 816.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. JONES of North Carolina. Mr. Speaker, I yield such time as he may consume to the gentleman from Nevada (Mr. GIBBONS), the author of this bill.

Mr. GIBBONS. Mr. Speaker, to my friend and colleague, the gentleman from North Carolina (Mr. JONES), I want to thank him for his courtesy in granting me time to rise today in support of the legislation I introduced, H.R. 816, the Nevada National Forest Disposal Act.

Mr. Speaker, Nevada has a unique relationship with the Federal Government, because 91.9 percent of the land within that State is either federally owned or federally controlled. As a native and a public servant of this great State, I am committed to promoting sensible land management policies that allow for responsible economic development, while protecting our precious natural resources and scenic vistas. My bill, the Nevada National Forest Disposal Act, is a model for such development.

The bill provides for the sale of six small tracts of land at public auction for fair market value. The sale of this land will allow responsible planning and economic development in Carson City and Douglas County.

These parcels of land, Mr. Speaker, are land that are not pristine forest lands. In fact, there is barely any vegetation at all that can be found on these lots. The parcels are small tracts of land, each bordered by private lands on at least two sides, either within residential areas or next to a highway.

The Forest Service faces many challenges when it comes to managing these lots, and because of the nature of their location they are simply magnets for trash. I think we can all agree that the Forest Service should not have to divert resources away from their mission to deal with small tracts of land that often become an unfortunate dumping ground for a community.

Developing these lands, Mr. Speaker, would benefit the community by providing more economic opportunity and removing what some find to be an eye-

sore amidst commercial and residential areas, certainly not pristine forest land.

The proceeds of this land sale benefit the community, the State of Nevada and the Forest Service. Sixty-five percent of the proceeds from the land being sold will go to fund an inter-agency wildland fire suppression center. This center will help to protect the wildland-urban interface that surrounds the community. Twenty-five percent of the proceeds goes to the Forest Service to be used for development and maintenance of parks, trails and natural areas in the Carson City, Douglas County and Washoe County areas. Of the remaining 10 percent of the revenue, 5 percent will go to Nevada's general education fund and 5 percent will go to the Carson Water Subconservancy District.

Mr. Speaker, this is sound public policy. It is sound public land management policy for the Federal Government to dispose of tracts of land such as these that do not warrant Federal protection and use the revenue to manage vital areas of Federal ownership. This particular land disposal is important to the State of Nevada. It is supported by the community, and I urge my colleagues to support it.

Mrs. CHRISTENSEN. Mr. Speaker, I yield myself such time as I may consume.

(Mrs. CHRISTENSEN asked and was given permission to revise and extend her remarks.)

Mrs. CHRISTENSEN. Mr. Speaker, as my distinguished colleague the gentleman from Nevada (Mr. GIBBONS) has explained, this legislation provides for the disposal of specific forest lands in Nevada and specifies the uses of those funds from the sale of these lands.

The gentleman from California (Chairman POMBO) succeeded in moving this legislation through the House during the last Congress. We do not object to the passage of this legislation at this time.

Mr. Speaker, I yield back the balance of my time.

Mr. JONES of North Carolina. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from North Carolina (Mr. JONES) that the House suspend the rules and pass the bill, H.R. 816.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

CREATING OFFICE OF CHIEF FINANCIAL OFFICER OF GOVERNMENT OF VIRGIN ISLANDS

Mr. JONES of North Carolina. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 62) to create the Office of Chief Financial Officer of the Government of the Virgin Islands, and for other purposes.

The Clerk read as follows:

H.R. 62

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

SECTION 1. CHIEF FINANCIAL OFFICER OF THE VIRGIN ISLANDS.

(a) APPOINTMENT OF CHIEF FINANCIAL OFFICER.—

(1) IN GENERAL.—The Governor of the Virgin Islands shall appoint a Chief Financial Officer, with the advice and consent of the Legislature of the Virgin Islands, from the names on the list required under section 2(d). If the Governor has nominated a person for Chief Financial Officer but the Legislature of the Virgin Islands has not confirmed a nominee within 90 days after receiving the list pursuant to section 2(d), the Governor shall appoint from such list a Chief Financial Officer on an acting basis until the Legislature consents to a Chief Financial Officer.

(2) ACTING CHIEF FINANCIAL OFFICER.—If a Chief Financial Officer has not been appointed under paragraph (1) within 180 days after the date of the enactment of this Act, the Virgin Islands Chief Financial Officer Search Commission, by majority vote, shall appoint from the names on the list submitted under section 2(d), an Acting Chief Financial Officer to serve in that capacity until a Chief Financial Officer is appointed under the first sentence of paragraph (1). In either case, if the Acting Chief Financial Officer serves in an acting capacity for 180 consecutive days, without further action the Acting Chief Financial Officer shall become the Chief Financial Officer.

(b) TRANSFER OF FUNCTIONS.—

(1) IN GENERAL.—Upon the appointment of a Chief Financial Officer under subsection (a), the functions of the Director of the Office of Management and Budget established under the laws of the Virgin Islands shall be transferred to the Chief Financial Officer. All employees of the Office of Management and Budget become employees of the Office of the Chief Financial Officer.

(2) DOCUMENTS PROVIDED.—The heads of each department of the Government of the Virgin Islands, in particular the head of the Department of Finance of the Virgin Islands and the head of the Internal Revenue Bureau of the Virgin Islands shall provide all documents and information under the jurisdiction of that head that the Chief Financial Officer considers required to carry out his or her functions to the Chief Financial Officer.

(c) DUTIES OF CHIEF FINANCIAL OFFICER.—The duties of the Chief Financial Officer shall include the following:

(1) Assume the functions and authority of the office of the Office of Management and Budget established under the laws of the Virgin Islands as transferred under subsection (b).

(2) Develop a report on the financial status of the Government of the Virgin Islands not later than 6 months after appointment and quarterly thereafter. Such reports shall be available to the public and shall be submitted to the Committee on Resources in the House of Representatives and the Committee on Energy and Natural Resources in the Senate.

(3) Each year certify spending limits of the annual budget and whether or not the annual budget is balanced.

(4) Monitor operations of budget for compliance with spending limits, appropriations, and laws, and direct adjustments where necessary.

(5) Develop standards for financial management, including inventory and contracting, for the government of the Virgin Islands in

general and for each agency in conjunction with the agency head.

(6) Oversee all aspects of the implementation of the financial management system provided pursuant to section 3 to ensure the coordination, transparency, and networking of all agencies' financial, personnel, and budget functions.

(7) Provide technical staff to the Governor and legislature of the Virgin Islands for development of a deficit reduction and financial recovery plan.

(d) DEPUTY CHIEF FINANCIAL OFFICER.—Until the date that is 5 years after the date of the enactment of this Act, the position of the Director of the Office of Management and Budget of the Virgin Islands shall—

(1) have the duties, salary (as specified in subsection (f)(3)), and other conditions of the Deputy Chief Financial Officer in lieu of the duties, salary, and other conditions of the Director of the Office of Management and Budget of the Virgin Islands as such functions existed before the appointment of the Chief Financial Officer; and

(2) assist the Chief Financial Officer in carrying out the duties of the Chief Financial Officer.

(e) CONDITIONS RELATED TO CHIEF FINANCIAL OFFICER.—

(1) TERM.—The Chief Financial Officer shall be appointed for a term of 5 years.

(2) REMOVAL.—The Chief Financial Officer shall not be removed except for cause. An Acting Chief Financial Officer may be removed for cause or by a Chief Financial Officer appointed with the advice and consent of the Legislature of the Virgin Islands.

(3) REPLACEMENT.—If the Chief Financial Officer is unable to continue acting in that capacity due to removal, illness, death, or otherwise, another Chief Financial Officer shall be selected in accordance with subsection (a).

(4) SALARY.—The Chief Financial Officer shall be paid at a salary to be determined by the Governor of the Virgin Islands, except such rate may not be less than the highest rate of pay for a cabinet officer of the Government of the Virgin Islands or a Chief Financial Officer serving in any government or semi autonomous agency.

(f) CONDITIONS RELATED TO DEPUTY CHIEF FINANCIAL OFFICER.—

(1) TERM; REMOVAL.—The Deputy Chief Financial Officer shall serve at the pleasure of the Chief Financial Officer.

(2) REPLACEMENT.—If the Deputy Chief Financial Officer is unable to continue acting in that capacity due to removal, illness, death, or otherwise, another person shall be selected by the Governor of the Virgin Islands to serve as Deputy Chief Financial Officer.

(3) SALARY.—The Deputy Chief Financial Officer shall be paid at a salary to be determined by the Chief Financial Officer, except such rate may not be less than the rate of pay of the Director of the Office of Management and Budget.

(g) RESUMPTION OF FUNCTIONS.—On the date that is 5 years after the date of the enactment of this Act, the functions of the Chief Financial Officer shall be transferred to the Director of the Office of Management and Budget of the Virgin Islands.

(h) SUNSET.—This section shall cease to have effect after the date that is 5 years after the date of the enactment of this Act.

## SEC. 2. ESTABLISHMENT OF COMMISSION.

(a) ESTABLISHMENT.—There is established a commission to be known as the "Virgin Islands Chief Financial Officer Search Commission".

(b) DUTY OF COMMISSION.—The Commission shall recommend to the Governor not less than 3 candidates for nomination as Chief Fi-

ancial Officer of the Virgin Islands. Each candidate must have demonstrated ability in general management of, knowledge of, and extensive practical experience at the highest levels of financial management in governmental or business entities and must have experience in the development, implementation, and operation of financial management systems. Candidates shall not have served in a policy making or unclassified position of the Government of the Virgin Islands in the 10 years immediately preceding appointment as Chief Financial Officer.

(c) MEMBERSHIP.—

(1) NUMBER AND APPOINTMENT.—The Commission shall be composed of 9 members appointed not later than 30 days after the date of the enactment of this Act. Persons appointed as members must have recognized business, government, or financial expertise and experience and shall be appointed as follows:

(A) 1 individual appointed by the Governor of the Virgin Islands.

(B) 1 individual appointed by the President of the Legislature of the Virgin Islands.

(C) 1 individual, who is an employee of the Government of the Virgin Islands, appointed by the Central Labor Council of the Virgin Islands.

(D) 1 individual appointed by the Chamber of Commerce of St. Thomas-St. John.

(E) 1 individual appointed by the Chamber of Commerce of St. Croix.

(F) 1 individual appointed by the President of the University of the Virgin Islands.

(G) 1 individual appointed by the Chief Judge of the Virgin Islands Territorial Court.

(H) 1 individual, who is a resident of St. John, appointed by the At-Large Member of the Legislature of the Virgin Islands.

(I) 1 individual appointed by the Advocates for the Preservation of the Retirement System.

(2) TERMS.—

(A) IN GENERAL.—Each member shall be appointed for the life of the Commission.

(B) VACANCIES.—A vacancy in the Commission shall be filled in the manner in which the original appointment was made. Any member appointed to fill a vacancy shall be appointed for the remainder of that term.

(3) BASIC PAY.—Members shall serve without pay.

(4) QUORUM.—Five members of the Commission shall constitute a quorum.

(5) CHAIRPERSON.—The Chairperson of the Commission shall be the Chief Judge of the Territorial Court or her designee and shall serve as an ex officio member of the Commission and shall vote only in the case of a tie.

(6) MEETINGS.—The Commission shall meet at the call of the Chairperson. The Commission shall meet for the first time not later than 15 days after all members have been appointed under this subsection.

(7) GOVERNMENT EMPLOYMENT.—Members may not be current government employees, except for the member appointed under paragraph (1)(C); and

(d) REPORT; RECOMMENDATIONS.—The Commission shall transmit a report to the Governor and the Resources Committee of the House of Representatives and the Committee on Energy and Natural Resources of the Senate not later than 60 days after its first meeting. The report shall name the Commission's recommendations for candidates for nomination as Chief Financial Officer of the Virgin Islands.

(e) TERMINATION.—The Commission shall terminate 210 days after its first meeting.

## SEC. 3. FINANCIAL MANAGEMENT SYSTEM.

It is hereby authorized to be appropriated such sums as necessary for the installation of a Financial Management System, includ-

ing appropriate computer hardware and software, to the Government of the Virgin Islands. Upon becoming available, the financial management system shall be available to the Chief Financial Officer and, after the date that is 5 years after the date of the enactment of this Act, the Director of the Office of Management and Budget of the Virgin Islands, to assist the Chief Financial Officer or the Director of the Office of Management and Budget of the Virgin Islands, as the case may be, to carry out the official duties of that office.

## SEC. 4. DEFINITIONS.

For the purposes of this Act, the following definitions apply:

(1) CHIEF FINANCIAL OFFICER.—In sections 1 and 2, the term "Chief Financial Officer" means a Chief Financial Officer or Acting Chief Financial Officer, as the case may be, appointed under section 1(a).

(2) COMMISSION.—The term "Commission" means the Virgin Islands Chief Financial Officer Search Commission established pursuant to section 2.

(3) GOVERNOR.—The term "Governor" means the Governor of the Virgin Islands.

(4) REMOVAL FOR CAUSE.—The term "removal for cause" means removal based upon misconduct, failure to meet job requirements, or any grounds that a reasonable person would find grounds for discharge.

## SEC. 5. NO ABROGATION OF POWERS.

Nothing in this Act shall be construed to permit the Governor and Legislature of the Virgin Islands to dilute, delegate, or otherwise alter or weaken the powers and authority of the Office of Management and Budget established under the laws of the Virgin Islands.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from North Carolina (Mr. JONES) and the gentlewoman from the Virgin Islands (Mrs. CHRISTENSEN) each will control 20 minutes.

The Chair recognizes the gentleman from North Carolina (Mr. JONES).

### GENERAL LEAVE

Mr. JONES of North Carolina. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on H.R. 62.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. JONES of North Carolina. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, our colleague, the gentlewoman from the Virgin Islands (Mrs. CHRISTENSEN), has introduced legislation to address a potentially serious problem relating to her territory's financial future. Her legislation, H.R. 62, would create an Office of Chief Financial Officer for the United States Virgin Islands.

For over a decade now, multiple factors have led to a worsening financial outlook in this territory. Natural disasters, a gradually declining tourism industry and resulting spending decisions by the local government have left the U.S. Virgin Islands with significant annual deficits. Further, this territory now faces a debt totaling \$1 billion.

This legislation uses local and Federal input to select a Chief Financial

Officer. The CFO will tackle the difficult fiscal and related political decisions with regard to spending on these islands. This position will be temporary and will be empowered to stop wasteful spending and put this territory on the track to more sound economic footing.

The financial practices of the United States Virgin Islands have taken a primary position in the minds of its citizens and thus remain of great importance to my colleague, the gentlewoman from the Virgin Islands (Mrs. CHRISTENSEN). Without this legislation, one must worry that the Federal Government may have to take even more direct action if this debt continues to increase.

Finally, I would like to also point out that identical legislation, H.R. 3589, was passed by the Committee on Resources in the 108th Congress and by the whole House on September 22, 2004. We are hopeful that early action on this legislation during the Congressional session will translate into more momentum for the enactment of H.R. 62.

□ 1430

I hope bipartisan support of this legislation will continue, and I urge adoption of the bill.

Mr. Speaker, I reserve the balance of my time.

Mrs. CHRISTENSEN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, today we are poised to pass this bill for the second time. I thank the gentleman from North Carolina (Mr. JONES) for his kind and supportive remarks. I also want to take this opportunity to thank the gentleman from California (Mr. POMBO) and the gentleman from West Virginia (Mr. RAHALL), particularly, but all of the members of the House Committee on Resources and the staff on both sides for their unwavering support in getting this bill to the floor again today.

Mr. Speaker, most people in my district agree that with the passage of this bill, H.R. 62, which would create a Chief Financial Officer for the U.S. Virgin Islands, we will make an important step forward and lay a stronger foundation for our children's future. We also would restore the confidence of the public in our government.

While it has not been an easy journey, it has become very clear that the people of the Virgin Islands recognize the need for more accountability, transparency, and efficiency in the management of Federal and local funding. The implementation of an independent CFO is clearly not the only way to achieve this, but it is the only viable proposal that has come forward over the last 8 years or more of increasing deficits and narrowly averted fiscal crises, crises which have only been delayed through repeated borrowing.

Included in H.R. 62 is also funding for the planning and implementation of a

financial management system. This is a critical part of the bill and the responsibility of the Chief Financial Officer this bill would create. While the groundwork has already begun under the current administration, it is my belief, given the millions of dollars that have been spent in the past on financial systems, that the only way to ensure that it is fully transparent, networked, and integrated is if it is overseen by someone who is independent and has no official territory to protect.

This is not to cast any aspersions on the hardworking public servants who currently head or work at any of our departments, including our Office of Management and Budget. Protecting one's turf is simply human nature. On the other hand, the system under which they labor is outdated, cumbersome, ineffective and cannot support the missions of their offices or the optimal functioning of our government.

I would be remiss, however, if I did not commend the Governor and his staff for the recent steps they have taken to restore our government to fiscal health. Yet our public services, our salaries, our contracting process with compliance with contracts, our infrastructure, and our accounting is not where it needs to be. And the fiscal information needed for effective planning is simply unavailable in a reliable form.

While the support for my bill is not unanimous, especially in the higher echelons of local leadership at home, it is broad. It exists at all levels of our society, and it spans all three islands.

I do not want to belabor the reasons which made it necessary for this bill to be here before this body today, except to say that major hurricanes, changes in Federal tax policy, as well as a systemic dysfunction in central government operations, have played a role.

There is no need or reason to point blame, but shame on us if we do not provide the leadership for which we were elected, and fix the problem. Pushing for passage of this bill has neither been easy nor have I taken it lightly. I understand the consequences of stepping beyond the political status quo, as I have done with this legislation; but I have also seen in other jurisdictions the consequences of acting as though everything was fine and doing nothing. And I have pursued it on behalf of and because of the strong and unwaiving support of the people of the U.S. Virgin Islands.

I want to thank my colleagues again for their support and ask for a "yea" vote.

Mr. RAHALL. Mr. Speaker, in my capacity as the ranking Democratic member of the Resources Committee, I would like to register my strong support of H.R. 62, to create the office of chief financial officer for the territory of the U.S. Virgin Islands.

This Chamber passed similar legislation in the 108th Congress because of the tireless and tenacious efforts of Mrs. CHRISTENSEN.

Today, we are bringing up this legislation early in the Congress hoping the Senate will act on it expeditiously.

The financial condition of the Virgin Islands remains in trouble. Skyrocketing deficits coupled with inadequate fiscal controls have left the local government struggling to provide basic services to the people of the Virgin Islands.

Just last week, the U.S. Department of Education issued an order to the Virgin Islands Government to hire an independent contractor to manage approximately \$35 million in annual grants because the local government did not have a financial system in place to adequately account for the grants. Regrettably, this recent order was not the first of its kind by one of our Federal agencies levied against the local Virgin Islands Government.

Clearly, the lack of financial accountability and the potential for financial insolvency of the territory did not occur overnight. Nevertheless the introduction of this measure, by the distinguished representative of the Virgin Islands, DONNA CHRISTENSEN, continues to be met with controversy and opposition from many local political leaders.

DONNA CHRISTENSEN has made it clear that this legislation is something that she would rather not have to do, but the circumstances of her territory have made the choices for her. She is a brave woman for fighting for what she believes is in the best interest of her constituents and for her island and she should be commended.

Virgin Islands history will tout this legislation as a turning point in the fundamental approach that the territory handles its financial affairs.

I have said it before, and I will say it again today: When the next chapter in Profiles in Courage is written, it will be about the gentlewoman from the Virgin Islands, DONNA CHRISTENSEN.

I urge my colleagues to support favorable passage by this body of H.R. 62.

Ms. CHRISTENSEN. Mr. Speaker, I yield back the balance of my time.

Mr. JONES of North Carolina. Mr. Speaker, I have no additional speakers, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. PETRI). The question is on the motion offered by the gentleman from North Carolina (Mr. JONES) that the House suspend the rules and pass the bill, H.R. 62.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

#### WESTERN RESERVE HERITAGE AREAS STUDY ACT

Mr. JONES of North Carolina. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 412) to authorize the Secretary of the Interior to conduct a study to determine the suitability and feasibility of establishing the Western Reserve Heritage Area.

The Clerk read as follows:

H.R. 412

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

**SECTION 1. SHORT TITLE.**

This Act may be cited as the "Western Reserve Heritage Areas Study Act".

**SEC. 2. NATIONAL PARK SERVICE STUDY REGARDING THE WESTERN RESERVE, OHIO.**

(a) FINDINGS.—The Congress finds the following:

(1) The area that encompasses the modern-day counties of Trumbull, Mahoning, Ashtabula, Portage, Geagua, Lake, Cuyahoga, Summit, Medina, Huron, Lorain, Erie, Ottawa, and Ashland in Ohio with the rich history in what was once the Western Reserve, has made a unique contribution to the cultural, political and industrial development of the United States.

(2) The Western Reserve is distinctive as the land settled by the people of Connecticut after the Revolutionary War. The Western Reserve holds a unique mark as the original wilderness land of the West that many settlers migrated to in order to begin life outside of the original 13 colonies.

(3) The Western Reserve played a significant role in providing land to the people of Connecticut whose property and land was destroyed during the Revolution. These settlers were descendants of the brave immigrants who came to the Americas in the 17th century.

(4) The Western Reserve offered a new destination for those who moved west in search of land and prosperity. The agricultural and industrial base that began in the Western Reserve still lives strong in these prosperous and historical counties.

(5) The heritage of the Western Reserve remains transfixed in the counties of Trumbull, Mahoning, Ashtabula, Portage, Geagua, Lake, Cuyahoga, Summit, Medina, Huron, Lorain, Erie, Ottawa, and Ashland in Ohio. The people of these counties are proud of their heritage as shown through the unwavering attempts to preserve agricultural land and the industrial foundation that has been embedded in this region since the establishment of the Western Reserve. Throughout these counties, historical sites, and markers preserve the unique traditions and customs of its original heritage.

(6) The counties that encompass the Western Reserve continue to maintain a strong connection to its historic past as seen through its preservation of its local heritage, including historic homes, buildings, and centers of public gatherings.

(7) There is a need for assistance for the preservation and promotion of the significance of the Western Reserve as the natural, historic and cultural heritage of the counties of Trumbull, Mahoning, Ashtabula, Portage, Geagua, Lake, Cuyahoga, Summit, Medina, Huron, Lorain, Erie, Ottawa and Ashland in Ohio.

(8) The Department of the Interior is responsible for protecting the Nation's cultural and historical resources. There are significant examples of such resources within these counties and what was once the Western Reserve to merit the involvement of the Federal Government in the development of programs and projects, in cooperation with the State of Ohio and other local governmental entities, to adequately conserve, protect, and interpret this heritage for future generations, while providing opportunities for education and revitalization.

(b) STUDY.—

(1) IN GENERAL.—The Secretary, acting through the National Park Service Rivers, Trails, and Conservation Assistance Program, Midwest Region, and in consultation with the State of Ohio, the counties of Trumbull, Mahoning, Ashtabula, Portage, Geagua, Lake, Cuyahoga, Summit, Medina, Huron, Lorain, Erie, Ottawa, and Ashland, and other appropriate organizations, shall

carry out a study regarding the suitability and feasibility of establishing the Western Reserve Heritage Area in these counties in Ohio.

(2) CONTENTS.—The study shall include analysis and documentation regarding whether the Study Area—

(A) has an assemblage of natural, historic, and cultural resources that together represent distinctive aspects of American heritage worthy of recognition, conservation, interpretation, and continuing use, and are best managed through partnerships among public and private entities and by combining diverse and sometimes noncontiguous resources and active communities;

(B) reflects traditions, customs, beliefs, and folklore that are a valuable part of the national story;

(C) provides outstanding opportunities to conserve natural, historic, cultural, or scenic features;

(D) provides outstanding recreational and educational opportunities;

(E) contains resources important to the identified theme or themes of the Study Area that retain a degree of integrity capable of supporting interpretation;

(F) includes residents, business interests, nonprofit organizations, and local and State governments that are involved in the planning, have developed a conceptual financial plan that outlines the roles for all participants, including the Federal Government, and have demonstrated support for the concept of a national heritage area;

(G) has a potential management entity to work in partnership with residents, business interests, nonprofit organizations, and local and State governments to develop a national heritage area consistent with continued local and State economic activity;

(H) has a conceptual boundary map that is supported by the public; and

(I) has potential or actual impact on private property located within or abutting the Study Area.

(c) BOUNDARIES OF THE STUDY AREA.—The Study Area shall be comprised of the counties of Trumbull, Mahoning, Ashtabula, Portage, Geagua, Lake, Cuyahoga, Summit, Medina, Huron, Lorain, Erie, Ottawa, and Ashland in Ohio.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from North Carolina (Mr. JONES) and the gentlewoman from the Virgin Islands (Mrs. CHRISTENSEN) each will control 20 minutes.

The Chair recognizes the gentleman from North Carolina (Mr. JONES).

**GENERAL LEAVE**

Mr. JONES of North Carolina. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on H.R. 412.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. JONES of North Carolina. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 412 introduced by the gentleman from Ohio (Mr. RYAN), would authorize the Secretary of the Interior to conduct a study to determine the suitability and feasibility of establishing the Western Reserve Heritage Area. The proposed study area under this bill would encompass 14

modern-day counties in Ohio which throughout history have made a unique contribution to the cultural, political, and industrial development of the United States.

The Western Reserve is every bit as distinctive as the land settled by the people of Connecticut after the Revolutionary War and holds a unique mark as the original wilderness in the West that many settlers migrated to in order to begin life outside the original 13 colonies.

Mr. Speaker, H.R. 412 mirrors legislation that was supported by the majority and minority of the committee and the administration and passed the House during the 108th Congress. I urge adoption of the bill.

Mr. Speaker, I reserve the balance of my time.

Mrs. CHRISTENSEN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, National Heritage areas are grassroots projects where business and community leaders, local residents and State and local governments come together as neighbors to conserve and interpret the valuable historic and scenic resources in their communities.

Through the National Heritage Area Program, the National Park Service provides seed money and technical expertise to get these local projects off the ground and to leverage private, long-term funding for these areas.

H.R. 412, sponsored by our colleague, the gentleman from Ohio (Mr. RYAN), will authorize a study to determine whether or not an area in Ohio once known as the Western Reserve would qualify as a National Heritage Area.

The House approved this legislation during the 108th Congress, but the measure was never taken up in the other body.

The gentleman from Ohio (Mr. RYAN) is to be commended for his efforts on behalf of the communities that would be included in this new area.

Despite being a relatively new Member of Congress, the gentleman from Ohio (Mr. RYAN) is already demonstrating a willingness to work tirelessly on behalf of communities in need of the kind of Federal support the Heritage Area Program can provide.

We look forward to working with the gentleman from Ohio (Mr. RYAN) to create the Western Reserve Heritage Area should the study we are authorizing today support such a move. The gentleman from West Virginia (Mr. RYAN) and I congratulate the gentleman from Ohio (Mr. RYAN) on this important legislation and urge our colleagues to support H.R. 412.

Mr. Speaker, I yield such time as he may consume to the gentleman from Ohio (Mr. RYAN).

Mr. RYAN of Ohio. Mr. Speaker, in 1792 citizens came to northern Ohio to find a place to call their own after the American Revolution forced many out of house and home. They called this place the Western Reserve. It was a place of new beginnings, and these fervent and industrious people made Ohio

strong and prosperous. These settlers, mostly from Connecticut, were descendants of the brave immigrants who came to the Americas in the 17th century.

It is with great honor that by passing this legislation we will preserve the integrity of the cultural landscape for future generations to call home.

The Western Reserve is significant to our Nation's history, and it will be through education and public investment that we will help redefine our communities with the designation they so deserve.

The Western Reserve holds the distinction of being home to three U.S. Presidents and three U.S. Supreme Court Justices. This was home to the foundation of the steel industry and the world's rubber capital. The Western Reserve had the first U.S. newspaper for African Americans and the oldest labor newspaper. We are an inventive people, with many firsts in the automotive and electrical worlds. This is the birthplace of Thomas Edison and John Brown, the famous abolitionist.

We have regional strengths that set us apart from other areas, from our respected universities to our diverse business community to a wide range of natural and recreational resources. The agricultural and industrial base that began in the Western Reserve still lives strong in these prosperous and historical counties. These counties include Trumbull, Mahoning, Summit, Portage, Ashtabula, Cuyahoga, Medina, Ottawa, Ashland, Lake, Geauga, Lorain, Huron, and Erie.

The Western Reserve Heritage Area will unite northern Ohio and will help develop a plan focused on conserving the special qualities of the local culture and landscape that will once again define these communities as a good place to settle and make new beginnings.

We are already starting to see some of the benefits. The original Packard car was developed in this Western Reserve and the annual event that we have brings \$5 million to Trumbull County in travel tourism money.

I would just like to share a quote because now, not only with the Western Reserve Heritage Area coming together, the counties in the old Western Reserve are coming together economically as well. The foundations are coming together to focus their efforts and their money and certain aspects that will help transform our economy. I would just like to share a quote from the fund of all of these, the Fund For Our Economic Future and the fund chairman, Robert Briggs, says that "most of the pieces needed to make northeast Ohio a global economic powerhouse are in place. One of the missing pieces, however, is a shared vision and understanding that the residents in these counties in northeast Ohio are interconnected in a regional economy. By breaking down jurisdictional boundaries created by cities and counties and thinking regionally, we will think eco-

nomically to stimulate exponential growth."

The Western Reserve Heritage Area can be the organizing principle of this area and lead to the transformation of our economy.

I thank my colleagues for the opportunity to share these views today.

Mrs. CHRISTENSEN. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. JONES of North Carolina. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from North Carolina (Mr. JONES) that the House suspend the rules and pass the bill, H.R. 412.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

### GULLAH/GEECHEE CULTURAL HERITAGE ACT

Mr. JONES of North Carolina. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 694) to enhance the preservation and interpretation of the Gullah/Geechee cultural heritage, and for other purposes, as amended.

The Clerk read as follows:

H.R. 694

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

#### SECTION 1. SHORT TITLE.

This Act may be cited as the "Gullah/Geechee Cultural Heritage Act".

#### SEC. 2. PURPOSES.

The purposes of this Act are to—

(1) recognize the important contributions made to American culture and history by African Americans known as the Gullah/Geechee who settled in the coastal counties of South Carolina, Georgia, North Carolina, and Florida;

(2) assist State and local governments and public and private entities in South Carolina, Georgia, North Carolina, and Florida in interpreting the story of the Gullah/Geechee and preserving Gullah/Geechee folklore, arts, crafts, and music; and

(3) assist in identifying and preserving sites, historical data, artifacts, and objects associated with the Gullah/Geechee for the benefit and education of the public.

#### SEC. 3. DEFINITIONS.

For the purposes of this Act, the following definitions apply:

(1) COMMISSION.—The term "Commission" means the Gullah/Geechee Cultural Heritage Corridor Commission established under this Act.

(2) HERITAGE CORRIDOR.—The term "Heritage Corridor" means the Gullah/Geechee Cultural Heritage Corridor established by this Act.

(3) SECRETARY.—The term "Secretary" means the Secretary of the Interior.

#### SEC. 4. GULLAH/GEECHEE CULTURAL HERITAGE CORRIDOR.

(a) ESTABLISHMENT.—There is established the Gullah/Geechee Cultural Heritage Corridor.

(b) BOUNDARIES.—

(1) IN GENERAL.—The Heritage Corridor shall be comprised of those lands and waters generally depicted on a map entitled "Gullah/Geechee Cultural Heritage Corridor" numbered GGCHC 80,000 and dated September 2004. The map shall be on file and available for public inspection in the appropriate offices of the National Park Service and in an appropriate State office in each of the States included in the Heritage Corridor. The Secretary shall publish in the Federal Register, as soon as practicable after the date of enactment of this Act, a detailed description and map of the boundaries established under this subsection.

(2) REVISIONS.—The boundaries of the heritage corridor may be revised if the revision is—

(A) proposed in the management plan developed for the Heritage Corridor;

(B) approved by the Secretary in accordance with this Act; and

(C) placed on file in accordance with paragraph (1).

(c) ADMINISTRATION.—The Heritage Corridor shall be administered in accordance with the provisions of this Act.

#### SEC. 5. GULLAH/GEECHEE CULTURAL HERITAGE CORRIDOR COMMISSION.

(a) ESTABLISHMENT.—There is hereby established a commission to be known as the "Gullah/Geechee Cultural Heritage Corridor Commission" whose purpose shall be to assist Federal, State, and local authorities in the development and implementation of a management plan for those land and waters specified in section 4.

(b) MEMBERSHIP.—The Commission shall be composed of 15 members appointed by the Secretary as follows:

(1) Four individuals nominated by the State Historic Preservation Officer of South Carolina and two individuals each nominated by the State Historic Preservation Officer of each of Georgia, North Carolina, and Florida and appointed by the Secretary.

(2) Two individuals from South Carolina and one individual from each of Georgia, North Carolina, and Florida who are recognized experts in historic preservation, anthropology, and folklore, appointed by the Secretary.

(c) TERMS.—Members of the Commission shall be appointed to terms not to exceed 3 years. The Secretary may stagger the terms of the initial appointments to the Commission in order to assure continuity of operation. Any member of the Commission may serve after the expiration of their term until a successor is appointed. A vacancy shall be filled in the same manner in which the original appointment was made.

(d) TERMINATION.—The Commission shall terminate 10 years after the date of the enactment of this Act.

#### SEC. 6. OPERATION OF THE COMMISSION.

(a) DUTIES OF THE COMMISSION.—To further the purposes of the Heritage Corridor, the Commission shall—

(1) prepare and submit a management plan to the Secretary in accordance with section 7;

(2) assist units of local government and other persons in implementing the approved management plan by—

(A) carrying out programs and projects that recognize, protect, and enhance important resource values within the Heritage Corridor;

(B) establishing and maintaining interpretive exhibits and programs within the Heritage Corridor;

(C) developing recreational and educational opportunities in the Heritage Corridor;

(D) increasing public awareness of and appreciation for the historical, cultural, natural, and scenic resources of the Heritage Corridor;

(E) protecting and restoring historic sites and buildings in the Heritage Corridor that are consistent with heritage corridor themes;

(F) ensuring that clear, consistent, and appropriate signs identifying points of public access and sites of interest are posted throughout the Heritage Corridor; and

(G) promoting a wide range of partnerships among governments, organizations, and individuals to further the purposes of the Heritage Corridor;

(3) consider the interests of diverse units of government, business, organizations, and individuals in the Heritage Corridor in the preparation and implementation of the management plan;

(4) conduct meetings open to the public at least quarterly regarding the development and implementation of the management plan;

(5) submit an annual report to the Secretary for any fiscal year in which the Commission receives Federal funds under this Act, setting forth its accomplishments, expenses, and income, including grants made to any other entities during the year for which the report is made;

(6) make available for audit for any fiscal year in which it receives Federal funds under this Act, all information pertaining to the expenditure of such funds and any matching funds, and require all agreements authorizing expenditures of Federal funds by other organizations, that the receiving organization make available for audit all records and other information pertaining to the expenditure of such funds; and

(7) encourage by appropriate means economic viability that is consistent with the purposes of the Heritage Corridor.

(b) **AUTHORITIES.**—The Commission may, for the purposes of preparing and implementing the management plan, use funds made available under this Act to—

(1) make grants to, and enter into cooperative agreements with, the States of South Carolina, North Carolina, Florida, and Georgia, political subdivisions of those States, a nonprofit organization, or any person;

(2) hire and compensate staff;

(3) obtain funds from any source including any that are provided under any other Federal law or program; and

(4) contract for goods and services.

#### **SEC. 7. MANAGEMENT PLAN.**

(a) **IN GENERAL.**—The management plan for the Heritage Corridor shall—

(1) include comprehensive policies, strategies, and recommendations for conservation, funding, management, and development of the Heritage Corridor;

(2) take into consideration existing State, county, and local plans in the development of the management plan and its implementation;

(3) include a description of actions that governments, private organizations, and individuals have agreed to take to protect the historical, cultural, and natural resources of the Heritage Corridor;

(4) specify the existing and potential sources of funding to protect, manage, and develop the Heritage Corridor in the first 5 years of implementation;

(5) include an inventory of the historical, cultural, natural, resources of the Heritage Corridor related to the themes of the Heritage Corridor that should be preserved, restored, managed, developed, or maintained;

(6) recommend policies and strategies for resource management that consider and detail the application of appropriate land and

water management techniques, including the development of intergovernmental and interagency cooperative agreements to protect the Heritage Corridor's historical, cultural, and natural resources;

(7) describe a program for implementation of the management plan including plans for resources protection, restoration, construction, and specific commitments for implementation that have been made by the Commission or any government, organization, or individual for the first 5 years of implementation;

(8) include an analysis and recommendations for the ways in which Federal, State, or local programs may best be coordinated to further the purposes of this Act; and

(9) include an interpretive plan for the Heritage Corridor.

(b) **SUBMITTAL OF MANAGEMENT PLAN.**—The Commission shall submit the management plan to the Secretary for approval not later than 3 years after funds are made available for this Act.

(c) **FAILURE TO SUBMIT.**—If the Commission fails to submit the management plan to the Secretary in accordance with subsection (b), the Heritage Corridor shall not qualify for Federal funding until the management plan is submitted.

(d) **APPROVAL OR DISAPPROVAL OF MANAGEMENT PLAN.**—

(1) **IN GENERAL.**—The Secretary shall approve or disapprove the management plan not later than 90 days after receiving the management plan.

(2) **CRITERIA.**—In determining whether to approve the management plan, the Secretary shall consider whether—

(A) the Commission has afforded adequate opportunity, including public hearings, for public and governmental involvement in the preparation of the management plan;

(B) the resource preservation and interpretation strategies contained in the management plan would adequately protect the cultural and historic resources of the Heritage Corridor; and

(C) the Secretary has received adequate assurances from appropriate State and local officials whose support is needed to ensure the effective implementation of the State and local aspects of the plan.

(3) **ACTION FOLLOWING DISAPPROVAL.**—If the Secretary disapproves the management plan, the Secretary shall advise the Commission in writing of the reasons therefor and shall make recommendations for revisions to the management plan. The Secretary shall approve or disapprove a proposed revision not later than 60 days after the date it is submitted.

(4) **APPROVAL OF AMENDMENTS.**—Substantial amendments to the management plan shall be reviewed and approved by the Secretary in the same manner as provided in the original management plan. The Commission shall not use Federal funds authorized by this Act to implement any amendments until the Secretary has approved the amendments.

#### **SEC. 8. TECHNICAL AND FINANCIAL ASSISTANCE.**

(a) **IN GENERAL.**—Upon a request of the Commission, the Secretary may provide technical and financial assistance for the development and implementation of the management plan.

(b) **PRIORITY FOR ASSISTANCE.**—In providing assistance under subsection (a), the Secretary shall give priority to actions that assist in—

(1) conserving the significant cultural, historical, and natural resources of the Heritage Corridor; and

(2) providing educational and interpretive opportunities consistent with the purposes of the Heritage Corridor.

(c) **SPENDING FOR NON-FEDERAL PROPERTY.**—

(1) **IN GENERAL.**—The Commission may expend Federal funds made available under this Act on nonfederally owned property that is—

(A) identified in the management plan; or

(B) listed or eligible for listing on the National Register for Historic Places.

(2) **AGREEMENTS.**—Any payment of Federal funds made pursuant to this Act shall be subject to an agreement that conversion, use, or disposal of a project so assisted for purposes contrary to the purposes of this Act, as determined by the Secretary, shall result in a right of the United States to compensation of all funds made available to that project or the proportion of the increased value of the project attributable to such funds as determined at the time of such conversion, use, or disposal, whichever is greater.

#### **SEC. 9. DUTIES OF OTHER FEDERAL AGENCIES.**

Any Federal agency conducting or supporting activities directly affecting the Heritage Corridor shall—

(1) consult with the Secretary and the Commission with respect to such activities;

(2) cooperate with the Secretary and the Commission in carrying out their duties under this Act and, to the maximum extent practicable, coordinate such activities with the carrying out of such duties; and

(3) to the maximum extent practicable, conduct or support such activities in a manner in which the Commission determines will not have an adverse effect on the Heritage Corridor.

#### **SEC. 10. COASTAL HERITAGE CENTERS.**

In furtherance of the purposes of this Act and using the authorities made available under this Act, the Commission shall establish one or more Coastal Heritage Centers at appropriate locations within the Heritage Corridor in accordance with the preferred alternative identified in the Record of Decision for the Low Country Gullah Culture Special Resource Study and Environmental Impact Study, December 2003, and additional appropriate sites.

#### **SEC. 11. PRIVATE PROPERTY PROTECTION.**

(a) **ACCESS TO PRIVATE PROPERTY.**—Nothing in this Act shall be construed to require any private property owner to permit public access (including Federal, State, or local government access) to such private property. Nothing in this Act shall be construed to modify any provision of Federal, State, or local law with regard to public access to or use of private lands.

(b) **LIABILITY.**—Designation of the Heritage Corridor shall not be considered to create any liability, or to have any effect on any liability under any other law, of any private property owner with respect to any persons injured on such private property.

(c) **RECOGNITION OF AUTHORITY TO CONTROL LAND USE.**—Nothing in this Act shall be construed to modify any authority of Federal, State, or local governments to regulate land use.

(d) **PARTICIPATION OF PRIVATE PROPERTY OWNERS IN HERITAGE CORRIDOR.**—Nothing in this Act shall be construed to require the owner of any private property located within the boundaries of the Heritage Corridor to participate in or be associated with the Heritage Corridor.

(e) **EFFECT OF ESTABLISHMENT.**—The boundaries designated for the Heritage Corridor represent the area within which Federal funds appropriated for the purpose of this Act shall be expended. The establishment of the Heritage Corridor and its boundaries shall not be construed to provide any non-existing regulatory authority on land use within the Heritage Corridor or its viewshed by the Secretary or the management entity.

(f) NOTIFICATION AND CONSENT OF PROPERTY OWNERS REQUIRED.—No privately owned property shall be preserved, conserved, or promoted by the management plan for the Heritage Corridor until the owner of that private property has been notified in writing by the management entity and has given written consent for such preservation, conservation, or promotion to the management entity.

(g) LANDOWNER WITHDRAWAL.—Any owner of private property included within the boundary of the Heritage Corridor shall have their property immediately removed from within the boundary by submitting a written request to the management entity.

#### SEC. 12. AUTHORIZATION OF APPROPRIATIONS.

(a) IN GENERAL.—There is authorized to be appropriated for the purposes of this Act not more than \$1,000,000 for any fiscal year. Not more than a total of \$10,000,000 may be appropriated for the Heritage Corridor under this Act.

(b) COST SHARE.—Federal funding provided under this Act may not exceed 50 percent of the total cost of any activity for which assistance is provided under this Act.

(c) IN-KIND CONTRIBUTIONS.—The Secretary may accept in-kind contributions as part of the non-Federal cost share of any activity for which assistance is provided under this Act.

#### SEC. 13. TERMINATION OF AUTHORITY.

The authority of the Secretary to provide assistance under this Act shall terminate on the day occurring 15 years after the date of the enactment of this Act.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from North Carolina (Mr. JONES) and the gentlewoman from the Virgin Islands (Mrs. CHRISTENSEN) each will control 20 minutes.

The Chair recognizes the gentleman from North Carolina (Mr. JONES).

#### GENERAL LEAVE

Mr. JONES of North Carolina. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on H.R. 694.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. JONES of North Carolina. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 694, introduced by the gentleman from South Carolina (Mr. CLYBURN) and amended by the Committee on Resources, would establish the Gullah/Geechee Cultural Heritage Corridor, comprised of lands and waters important to preserving this unique culture in parts of South Carolina and Georgia.

By way of background, throughout the early 1800s the Gullah/Geechee settled in the coastal counties of South Carolina, Georgia, and Northern Florida, and due largely to their isolated locations have remarkably maintained a great deal of their West African heritage. This bill would assist State and local governments with preserving and interpreting the story of Gullah/Geechee culture and its wonderful folklore, arts, crafts, and music.

H.R. 694, as amended, supports legislation that was supported by the ma-

majority and minority as passed the House of Representatives by voice vote during the 108th Congress. The committee amendment simply adds the correct map number and date to the bill.

Mr. Speaker, I urge adoption of the bill.

Mr. Speaker, I reserve the balance of my time.

Mrs. CHRISTENSEN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the majority has explained the purpose of H.R. 694, but it is truly fitting that we are proceeding with this legislation.

The Gullah/Geechee culture is unique. These proud people trace their ancestry to enslaved Africans who were forced to live and work along the coastal areas covered by the legislation. Because of the isolation of these coastal lands and islands, African Americans in these areas developed a distinct language as well as unique arts, crafts, music, and religious customs. It is a living culture that continues to evolve today and is definitely one that should be preserved and celebrated. I have had the opportunity in traveling to Charleston, South Carolina, with the distinguished gentleman from South Carolina (Mr. CLYBURN), to whom I will yield shortly, to sample some of that culture and the food as well.

□ 1445

Mr. Speaker, I want to commend my colleague and friend, the gentleman from South Carolina (Mr. CLYBURN), for his work on developing this important legislative initiative. The gentleman from West Virginia (Mr. RAHALL), our ranking member on the Committee on Resources, joins me in congratulating the gentleman from South Carolina (Mr. CLYBURN) for his effort, and we strongly support H.R. 694 and urge its passage before the House today.

Mr. Speaker, I yield such time as he might consume to the gentleman from South Carolina (Mr. CLYBURN), the distinguished vice-chair of the Democratic Caucus.

Mr. CLYBURN. Mr. Speaker, I thank the gentlewoman very much for yielding me the time. I want to thank her for her good work on the subcommittee on this legislation. I want to thank the majority side for their unique understanding of a unique slice of the American culture.

My colleagues may recall, Mr. Speaker, that we passed this legislation last year unanimously. It also passed in the other body, but time ran out before we could reconcile the differences that were in the two bills.

I want to point out today, for those people who may be listening, that this time around we did move to incorporate all of the aspects of the study conducted by the National Park Service. Last year, we only recognized South Carolina and Georgia in the legislation. In this legislation, however,

we have moved to bring Florida and North Carolina into the corridor, and that gives it the credibility that a lot of mail I got indicated was lacking the last time around.

I want to just point out that I do not believe there is anyone who has ever traveled to Charleston, South Carolina, or to Beaufort County, South Carolina, or to the Jacksonville area of North Carolina or the Jacksonville area of Florida who have not encountered some unique aspects of this culture. One need only walk the streets of Charleston and see the art of basket weaving, the sweet grass baskets that are made there, all coming out of this culture.

One of the reasons we thought it necessary to move quickly, as the National Park Service urged us to do, was because just that unique craft itself is beginning to dissipate, if not disappear, simply because of the sweet grass that is needed in order to make those baskets is fast disappearing, and we want to do what is necessary to preserve and protect that art and the culture that goes along with it.

I just want to point out, Mr. Speaker, that the communities that are identified along this corridor, many of them in years past were dependent upon textiles and tobacco as a large part of their economy. We all know going forward that that is not going to be a significant part of their future, but we also know that tourism is growing at 6 percent a year. Heritage tourism is growing around 30 percent a year, and we do believe that these communities, with the culture that is indigenous to the area, will benefit greatly from this legislation and bring them into the mainstream of activity of South Carolina's coast, Georgia's coast, Florida and North Carolina going forward.

So I want to thank the Members of this body for the work last year, thank the committee for bringing this bill to the floor so quickly this year, and I am hopeful that my colleagues will give us a favorable vote on it today.

Ms. JACKSON-LEE of Texas. Mr. Speaker, I rise as a strong supporter of H.R. 694, a bill that acknowledges the significant contributions made to American culture and history by outstanding African Americans known as the Gullah/Geechee. The legislation will assist State and local governments and public and private entities in South Carolina, Georgia, North Carolina and Florida to institute programs that facilitate the interpretation of the story of the Gullah/Geechee and preserving their legends, arts, crafts, and music. It will aid in identifying and preserving sites, historical data, artifacts, and objects associated with the Gullah/Geechee for the benefit and education of the public.

Mr. Speaker, I understand the history of these people. These individuals have a tremendously rich history and culture that has roots in the transportation of African slaves to the Sea Islands of South Carolina, Georgia and Florida. The Sea Islands served as an excellent location for the Gullah culture because of its separation from the mainland. The slaves who came from various regions in Africa brought many gifts such as a distinctive

language, culture and traditions. Collectively these traditions and languages have merged into one to from Gullah. The Gullah culture has survived over the years by Gullah elders passing down the language and traditions to their children. However, over the past 50 years the Gullah culture has started to die. Three significant factors are the development of resorts along the Sea Islands, the movement of Gullah descendants to larger cities, in search of employment and the education of Gullah descendants. The later of the factors has severely damaged the Gullah culture. As the Gullah people are becoming educated, they are taught that it is no longer acceptable to speak "broken-English." However, the Gullah language is more than just "broken-English." It is an art form that serves as the link between Africans and African-Americans today.

This magnificent bill will pay tribute to these great African Americans who settled in our coastal counties. The act will establish the Heritage Corridor that consists of lands and waters normally illustrated on a map as the Gullah/Geechee Cultural Heritage Corridor; the map will be on file and available for public inspection in the appropriate offices of the National Park Service and in the correct State office of each State listed in the Heritage Corridor.

This marvelous legislation will create the Gullah/Geechee Cultural Heritage Corridor Commission. The commission will help Federal, State, and local authorities in the development and implementation of a management plan for those areas listed as part of the Heritage Corridor.

Therefore, I ask my colleagues to join me and support these honorable African Americans for their contributions to this great country.

Mrs. CHRISTENSEN. Mr. Speaker, having no further speakers, I yield back the balance of my time.

Mr. JONES of North Carolina. Mr. Speaker, I have no additional speakers, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. PETRI). The question is on the motion offered by the gentleman from North Carolina (Mr. JONES) that the House suspend the rules and pass the bill, H.R. 694, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

#### LAND EXCHANGE IN VICINITY OF HOLLOWMAN AIR FORCE BASE, NEW MEXICO

Mr. JONES of North Carolina. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 486) to provide for a land exchange involving private land and Bureau of Land Management land in the vicinity of Holloman Air Force Base, New Mexico, for the purpose of removing private land from the required safety zone surrounding munitions storage bunkers at Holloman Air Force Base.

The Clerk read as follows:

H.R. 486

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

#### SECTION 1. LAND EXCHANGE, PRIVATE AND PUBLIC LAND IN VICINITY OF HOLLOWMAN AIR FORCE BASE, NEW MEXICO.

(a) CONVEYANCE OF PUBLIC LAND.—In exchange for the land described in subsection (b), the Secretary of the Interior shall convey to Randal, Jeffrey, and Timothy Rabon of Otero County, New Mexico (in this section referred to as the "Rabons"), all right, title, and interest of the United States in and to certain public land administered by the Secretary through the Bureau of Land Management consisting of a total of approximately 320 acres, as depicted on the map entitled "Alamogordo Rabon Land Exchange" and dated September 24, 2004, and more specifically described as follows:

(1) SE $\frac{1}{4}$  of section 6, township 17 south, range 10 east, New Mexico principal meridian.

(2) N $\frac{1}{2}$ N $\frac{1}{2}$  of section 7, township 17 south, range 10 east, New Mexico principal meridian.

(b) CONSIDERATION.—As consideration for the conveyance of the real property under subsection (a), the Rabons shall convey to the United States all right, title, and interest held by the Rabons in and to three parcels of land depicted on the map referred to in subsection (a), which consists of approximately 241 acres, is contiguous to Holloman Air Force Base, New Mexico, and is located within the required safety zone surrounding munitions storage bunkers at the installation. The Secretary shall assume jurisdiction over the land acquired under this subsection. The three parcels are more specifically described as follows:

(1) Lot 4 in the S1/2 of section 30, township 16 south, range 9 east, New Mexico principal meridian, consisting of approximately 17.6 acres.

(2) E1/2SW1/4 of section 31, township 16 south, range 9 east, New Mexico principal meridian, consisting of approximately 80 acres.

(3) Lots 1, 2, 3, and 4 of section 31, township 16 south, range 9 east, New Mexico principal meridian, consisting of approximately 143 acres.

(c) INTERESTS INCLUDED IN EXCHANGE.—Subject to valid existing rights, the land exchange under this section shall include conveyance of all surface, subsurface, mineral, and water rights in the lands.

(d) COMPLIANCE WITH EXISTING LAW.—(1) The Secretary shall carry out the land exchange under this section in the manner provided in section 206 of the Federal Land Policy Management Act of 1976 (43 U.S.C. 1716). Notwithstanding subsection (b) of such section, if necessary, a cash equalization payment may be made in excess of 25 percent of the appraised value of the public land to be conveyed under subsection (a).

(2) The cost of the appraisals performed as part of the land exchange shall be borne by the Secretary.

(e) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the land exchange under this section as the Secretary considers appropriate to protect the interests of the United States.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from North Carolina (Mr. JONES) and the gentlewoman from the Virgin Islands (Mrs. CHRISTENSEN) each will control 20 minutes.

The Chair recognizes the gentleman from North Carolina (Mr. JONES).

GENERAL LEAVE

Mr. JONES of North Carolina. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on H.R. 486, the bill under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. JONES of North Carolina. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 486, introduced by the gentleman from New Mexico (Mr. PEARCE), would provide for a land exchange involving private land and land managed by the Bureau of Land Management in the vicinity of Holloman Air Force Base in New Mexico for the purpose of removing that land from a required safety zone surrounding munitions storage bunkers at the Air Force base.

Mr. Speaker, I yield such time as he may consume to the gentleman from New Mexico (Mr. PEARCE), the author of this bill.

Mr. PEARCE. Mr. Speaker, I rise in support of H.R. 486 and would like to thank the gentleman from California (Chairman POMBO) and the gentleman from West Virginia (Ranking Member RAHALL) for working with me on this important legislation. I appreciate the bipartisan support from the Committee on Resources members and the ranking member of the subcommittee, the gentlewoman from the Virgin Islands (Mrs. CHRISTENSEN), in reaching a compromise that is reflected in this legislation.

The need for Congress to pass H.R. 486 arose when a munitions storage bunker was built at Holloman Air Force Base in 1997 and 1998. Holloman Air Force Base serves both the United States' and German Air Force's training and readiness functions. The Holloman air to ground training ranges consist of 1,385,262 acres, almost exclusively Federal land, and air to air training ranges providing 8,352,878 acres of air space for national security and training. The total military training routes at Holloman Air Force Base is 8,657,964. That is DOD, DOI, USDA and private lands.

Without an explosive clear zone, Holloman Air Force Base is unable to fully utilize the designed capacity of the bunker, and it adversely impacts the storage capacity of munitions required for training and operations. This directly impacts the ability of Holloman Air Force Base to fully meet its mission of training, readiness and national security as well as training our NATO partner, Germany. The cost to replace the munitions storage area is estimated by the Air Force to be a minimum of \$40 million today, and more if this bill is delayed.

The proposed explosive clear zone encroaches on private property. The Federal Government originally sought to

take the private property through condemnation, leaving little choice but for the property owners to vigorously defend their property rights. This bill resolves the issue and protects both private property and the investment made by the Air Force and would simply exchange Federal lands in close proximity to ranch boundaries. This bill protects our national security, saves the taxpayers a minimum of \$40 million and protects private property and is fair to all parties concerned.

I urge my colleagues to join me in passing H.R. 486.

Mr. JONES of North Carolina. Mr. Speaker, I reserve the balance of my time.

Mrs. CHRISTENSEN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, it is unfortunate that the private landowners in this case were unable to reach an agreement with the Air Force to resolve this ongoing dispute. However, because ensuring that Holloman Air Force Base operates effectively and safely is critical to both the Air Force and the residents who live and work near the base, we have worked closely with the gentleman from New Mexico (Mr. PEARCE) to craft a legislative solution.

Compared to the version of this legislation introduced in the previous Congress, H.R. 486 contains a number of changes made at the request of the minority, and we appreciate the inclusion of those changes, and at this time we would not oppose the adoption of H.R. 486.

Mr. Speaker, I have no further speakers, and I yield back the balance of my time.

Mr. JONES of North Carolina. Mr. Speaker, I urge adoption of this bill. I have no other speakers, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from North Carolina (Mr. JONES) that the House suspend the rules and pass the bill, H.R. 486.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

#### WELFARE REFORM EXTENSION ACT OF 2005

Mr. HERGER. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 1160) to reauthorize the Temporary Assistance for Needy Families block grant program through June 30, 2005, and for other purposes.

The Clerk read as follows:

H.R. 1160

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

#### SECTION 1. SHORT TITLE.

This Act may be cited as the "Welfare Reform Extension Act of 2005".

#### SEC. 2. EXTENSION OF THE TEMPORARY ASSISTANCE FOR NEEDY FAMILIES BLOCK GRANT PROGRAM THROUGH JUNE 30, 2005.

(a) IN GENERAL.—Activities authorized by part A of title IV of the Social Security Act, and by sections 510, 1108(b), and 1925 of such Act, shall continue through June 30, 2005, in the manner authorized for fiscal year 2004, notwithstanding section 1902(e)(1)(A) of such Act, and out of any money in the Treasury of the United States not otherwise appropriated, there are hereby appropriated such sums as may be necessary for such purpose. Grants and payments may be made pursuant to this authority through the third quarter of fiscal year 2005 at the level provided for such activities through the third quarter of fiscal year 2004.

(b) CONFORMING AMENDMENT.—Section 403(a)(3)(H)(ii) of the Social Security Act (42 U.S.C. 603(a)(3)(H)(ii)) is amended by striking "March 31" and inserting "June 30".

#### SEC. 3. EXTENSION OF THE NATIONAL RANDOM SAMPLE STUDY OF CHILD WELFARE AND CHILD WELFARE WAIVER AUTHORITY THROUGH JUNE 30, 2005.

Activities authorized by sections 429A and 1130(a) of the Social Security Act shall continue through June 30, 2005, in the manner authorized for fiscal year 2004, and out of any money in the Treasury of the United States not otherwise appropriated, there are hereby appropriated such sums as may be necessary for such purpose. Grants and payments may be made pursuant to this authority through the third quarter of fiscal year 2005 at the level provided for such activities through the third quarter of fiscal year 2004.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from California (Mr. HERGER) and the gentleman from Maryland (Mr. CARDIN) each will control 20 minutes.

The Chair recognizes the gentleman from California (Mr. HERGER).

Mr. HERGER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise today in support of H.R. 1160, the Welfare Reform Extension Act of 2005. Mr. Speaker, this legislation will continue funding for the Temporary Assistance For Needy Families Program and other related programs for 3 months through June 30th, 2005.

Mr. Speaker, this is the ninth extension of these programs we have considered since their original authorization expired at the end of 2002. In 2002 and 2003, the House passed comprehensive welfare reform legislation that would promote more work, provide more child care assistance and help more low-income families become self-sufficient. Unfortunately, our friends in the Senate did not follow suit, and therefore we have been forced to mark time. Still, we are encouraged that on March 9 the Senate Finance Committee approved a welfare reform bill and hope that this year the full Senate would pass such legislation so that we can make real progress.

It is important that we are here today to continue funding for this remarkably successful program. Since the welfare reform law was passed in 1996, the number of families receiving welfare assistance has fallen more than 60 percent. More than 1.4 million children have been lifted from poverty. However, as we have marked time with

this program through a series of short-term extensions, we have seen evidence that the gains made over the years are in jeopardy.

Work among welfare recipients has declined in 3 of the last 4 years. Two million families remain dependent on government assistance, and we are not taking enough steps to strengthen families which will improve child well-being. We must do more to help strong families form and more parents go to work and achieve independence.

Mr. Speaker, on the first day of the 109th Congress I joined the gentleman from Ohio (Ms. PRYCE), the gentleman from Texas (Mr. DELAY), the majority leader, as well as the committee chairman and subcommittee chairman with jurisdiction over these programs to introduce H.R. 240, the Personal Responsibility, Work, and Family Promotion Act of 2005.

Tomorrow, the Subcommittee on Human Resources, which I chair, will mark up this legislation, the first step in the process of again bringing it to the floor for a vote in the coming weeks. This legislation is nearly identical to the legislation this House passed in 2002 and 2003, with appropriate updates given the passage of time since the last time the House acted.

I look forward to working with all my colleagues to pass this legislation so we can get to conference and get a bill for the President's desk. House Republicans stand with President Bush and support the proposals he has championed that encourage more work and promote stronger families, and we will continue to work towards their implementation.

It is unfortunate, as I have said in the past, that we have not been able to get such comprehensive welfare legislation to the President's desk for his signature. The budgetary pressures this year are a reality we all will work to address, which may involve difficult choices in some of these areas.

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Our previous legislation ensured full funding for the TANF program while providing up to \$4 billion more for child care so more parents could go to work. With record-high Federal budget deficits, the longer we wait, the harder it will be for us to provide for this level of welfare-to-work programs.

I hope this extension is our last and by June 30 we will have sent long-term reauthorization legislation to the President. I look forward to working with my colleagues on both sides of the aisle to make this a reality. I urge all of my colleagues to support this legislation before us today.

Mr. Speaker, I reserve the balance of my time.

Mr. CARDIN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I support this temporary continuation of funding for TANF, Temporary Assistance For Needy Families. It also extends the

Child Care Development Block Grant Program and transitional medical assistance for people who leave welfare for work. The bill extends funding for these programs for the next 3 months without any changes in current law. As the gentleman from California (Mr. HERGER) pointed out, this is the ninth temporary extension for TANF over the last 3 years.

I agree with those who say we should be doing much more. I think it is wrong we have not brought forward legislation that deals with the reality of what has happened in our communities over the past 3 years. We have seen a significant growth in poverty in this country, growing by 4.3 million people. In 2003 alone, almost another 800,000 children fell into poverty; yet we see no action by this body to deal with the realities in our community.

Regrettably, the long-term welfare reauthorization plan put forward by my Republican colleagues largely ignores this problem. The gentleman from California (Mr. HERGER) has pointed out that TANF has been remarkably successful, using his own terms; yet the legislation they bring forward radically changes the program by putting more mandates on States and less opportunity to tailor the program to meet the needs of individual States and fails to give the resources necessary in order to accomplish the task.

Instead, they have suggested that poverty is rising because welfare recipients are not working hard enough. However, this suggestion falls flat when Members consider one basic fact: the welfare rolls have been declining as we continue to see an increase in poverty. That points out the fact that there are just no jobs available. We are going through a recession; it is not that we have welfare recipients who are failing to work. They cannot find jobs; and when they do find jobs, these jobs do not pay enough. They need job training and help to move up the economic ladder.

Mr. Speaker, we should be providing more child care assistance, more job training, and a higher minimum wage; and yet in all three of these areas, the majority and President Bush have resisted such reforms. In fact, as the gentleman from California (Mr. HERGER) points out, the Subcommittee On Human Resources is scheduled to mark up legislation tomorrow which is nearly identical to the same bill we have been debating for the last 3 years. In baseball, it is three strikes and you are out. Unfortunately, that does not apply here; otherwise perhaps we would finally get a bill that would be worthy of bipartisan support. We do not seem to be getting that from the majority.

While we are doing this, the other body is working on legislation, which I am happy to report. As the gentleman from California (Mr. HERGER) pointed out, the Senate Finance Committee has given a road map by recently reporting a bipartisan bill to improve

TANF. Let me underscore that. The Senate Finance Committee reported a bipartisan bill, a bill that represents give and take among all of the Members of the committee.

Mr. Speaker, I am not thrilled by all of the provisions in the bill that was marked up, but I think it does allow us to move forward to get a bill to the President's desk. It increases access to education rather than placing new limitations on education and training. It does not double work hours for mothers with young children. It does not include an open-ended superwaiver authority that could reduce protections for food stamps and housing benefits, and includes six times as much new child care funding compared to the bill that will be marked up tomorrow in our committee.

As I said, the Senate finance bill is far from perfect, and I hope it will improve when considered by the full Senate; but it represents a much better approach than the Republican bill in this body. I hope we can continue to work towards a long-term bill that reflects many of the improvements made in the Senate bill.

In the meantime, Mr. Speaker, I support this temporary extension of current law, hope we can work together, and hope we have a bill worthy of bipartisan support we can get to the President.

Mr. Speaker, I reserve the balance of my time.

Mr. HERGER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, in 2002 and 2003, this House passed long-term reauthorization legislation to encourage more work among welfare recipients and to provide more resources for States to assist low-income families. I am encouraged that last week the Senate Committee on Finance reported a welfare reform bill. Tomorrow, the subcommittee I chair will mark up long-term reauthorization, and it is my hope that over the next few months we can pass long-term legislation and send a bill to the President for his signature.

But until that happens, it is important that we continue these programs, so we do need to pass this bill. Therefore, I urge all my colleagues to support this legislation.

Ms. JACKSON-LEE of Texas. Mr. Speaker, I am here today to support the extension of the Temporary Assistance for Needy Families Block Grant Program through June 30, 2005.

For the ninth time since September 2002, the U.S. House today is attempting to pass another short-term extension of the nation's welfare system, by approving the Welfare Reform Extension Act of 2004 under our suspension calendar.

For the sake of the millions of families that remain in the welfare system, we need a final agreement that will help Americans achieve independence and a brighter future. While I am glad that the House Ways and Means Committee is taking action, it is still disturbing that we must continue to pass extensions rather than create a comprehensive reform that will help families for generations to come.

The 1996 welfare reform law authorized Temporary Assistance for Needy Families and related welfare programs through September 30, 2002. The House passed comprehensive welfare reauthorization bills in 2002 and 2003. The Senate's failure to approve a comprehensive reauthorization bill has forced both bodies to fund welfare programs since September 2002 through a series of short-term extensions, without any further improvements. The last short term extension from March 2004 is set to expire on June 30, 2005, until the U.S. Senate can complete its work.

Every day that passes without a comprehensive agreement means more low-income families depending on governmental assistance. It means less work and job preparation by parents. It means fewer child care and child support resources available to help families. It means more poverty. And it means more families going into debt and creating more obstacles to financial freedom. It's time to deliver on this vital legislation.

As chair of the Congressional Children's Caucus, I know that many of the people that will suffer from lack of comprehensive benefits are children. These children are not the ones who are making decisions for the family, but are the ones that are suffering from it. The government must step in and take a proactive role to see that such imbalances are set right. As we reauthorize TANF today, let's go one step further and create a working assistance program that has long term solutions.

Mr. HERGER. Mr. Speaker, I yield back the balance of my time.

Mr. CARDIN. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. PETRI). The question is on the motion offered by the gentleman from California (Mr. HERGER) that the House suspend the rules and pass the bill, H.R. 1160.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

#### GENERAL LEAVE

Mr. HERGER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on H.R. 1160.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

#### AMENDING INTERNAL REVENUE CODE OF 1986 PROVIDING FOR PROPER TAX TREATMENT OF CERTAIN DISASTER MITIGATION PAYMENTS

Mr. FOLEY. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 1134) to amend the Internal Revenue Code of 1986 to provide for the proper tax treatment of certain disaster mitigation payments.

The Clerk read as follows:

H.R. 1134

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

**SECTION 1. PROPER TAX TREATMENT OF CERTAIN DISASTER MITIGATION PAYMENTS.**

(a) QUALIFIED DISASTER MITIGATION PAYMENTS EXCLUDED FROM GROSS INCOME.—

(1) IN GENERAL.—Section 139 of the Internal Revenue Code of 1986 (relating to disaster relief payments) is amended by adding at the end the following new subsections:

“(g) QUALIFIED DISASTER MITIGATION PAYMENTS.—

“(1) IN GENERAL.—Gross income shall not include any amount received as a qualified disaster mitigation payment.

“(2) QUALIFIED DISASTER MITIGATION PAYMENT DEFINED.—For purposes of this section, the term ‘qualified disaster mitigation payment’ means any amount which is paid pursuant to the Robert T. Stafford Disaster Relief and Emergency Assistance Act (as in effect on the date of the enactment of this subsection) or the National Flood Insurance Act (as in effect on such date) to or for the benefit of the owner of any property for hazard mitigation with respect to such property. Such term shall not include any amount received for the sale or disposition of any property.

“(3) NO INCREASE IN BASIS.—Notwithstanding any other provision of this subtitle, no increase in the basis or adjusted basis of any property shall result from any amount excluded under this subsection with respect to such property.

“(h) DENIAL OF DOUBLE BENEFIT.—Notwithstanding any other provision of this subtitle, no deduction or credit shall be allowed (to the person for whose benefit a qualified disaster relief payment or qualified disaster mitigation payment is made) for, or by reason of, any expenditure to the extent of the amount excluded under this section with respect to such expenditure.”

(2) CONFORMING AMENDMENTS.—

(A) Subsection (d) of section 139 of such Code is amended by striking “a qualified disaster relief payment” and inserting “qualified disaster relief payments and qualified disaster mitigation payments”.

(B) Subsection (e) of section 139 of such Code is amended by striking “and (f)” and inserting “, (f), and (g)”.

(b) CERTAIN DISPOSITIONS OF PROPERTY UNDER HAZARD MITIGATION PROGRAMS TREATED AS INVOLUNTARY CONVERSIONS.—Section 1033 of such Code (relating to involuntary conversions) is amended by redesignating subsection (k) as subsection (l) and by inserting after subsection (j) the following new subsection:

“(k) SALES OR EXCHANGES UNDER CERTAIN HAZARD MITIGATION PROGRAMS.—For purposes of this subtitle, if property is sold or otherwise transferred to the Federal Government, a State or local government, or an Indian tribal government to implement hazard mitigation under the Robert T. Stafford Disaster Relief and Emergency Assistance Act (as in effect on the date of the enactment of this subsection) or the National Flood Insurance Act (as in effect on such date), such sale or transfer shall be treated as an involuntary conversion to which this section applies.”

(c) EFFECTIVE DATE.—

(1) QUALIFIED DISASTER MITIGATION PAYMENTS.—The amendments made by subsection (a) shall apply to amounts received after the date of the enactment of this Act.

(2) DISPOSITIONS OF PROPERTY UNDER HAZARD MITIGATION PROGRAMS.—The amendments made by subsection (b) shall apply to sales or other dispositions after the date of the enactment of this Act.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Florida (Mr. FOLEY) and the gentleman from Maryland (Mr. CARDIN) each will control 20 minutes.

The Chair recognizes the gentleman from Florida (Mr. FOLEY).

GENERAL LEAVE

Mr. FOLEY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on the bill under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. FOLEY. Mr. Speaker, I yield myself such time as I may consume.

First, let me thank the gentleman from California (Mr. THOMAS), chairman of the Committee on Ways and Means, for his consideration and expeditious handling of this bill in allowing us to bring it to the floor. I will include for the RECORD the statement of the gentleman from California (Chairman THOMAS), but first let me read two paragraphs which crystallize the need for the debate.

The gentleman from California states: “Mr. Speaker, I strongly support H.R. 1134 which embodies the President’s budget proposal to provide tax relief to those who will and who have accepted Federal Emergency Management Agency disaster mitigation grants. The bill is necessary to promote effective use of the mitigation grants. These mitigation grants alleviate the severity of the damage caused by unpredictable but anticipated natural disasters. These grants save taxpayer dollars by reducing future Federal disaster relief payments resulting from such disasters.”

If I can read the last paragraph of the statement of the gentleman from California (Mr. THOMAS): “H.R. 1134 will cut taxes by \$105 million over the next decade. FEMA estimates that mitigation projects over the past several years have saved our Nation nearly \$3 billion in disaster-related costs. Clearly, when one compares the price of H.R. 1134 with what we might pay in future relief efforts, this bill is worth moving forward and passing into law.”

Mr. Speaker, I rise personally in strong support of H.R. 1134. As a member of Florida who has experienced three hurricanes which made landfall in my district and a fourth which came through the panhandle, out across North Carolina, back into the Atlantic, and made its way back to my district, my congressional district in essence suffered four disasters this past year.

I strongly support H.R. 1134 and ask and thank my colleagues on both sides of the aisle for their help and efforts in bringing this to fruition on the floor. It is a very simple bill. It simply says those taxpayers who receive help under FEMA’s hazard mitigation grant program will not be penalized under the Tax Code for receiving that help. It ex-

empts these grants from being considered income for tax purposes.

The FEMA mitigation program has been around for 15 years. It has helped property owners who live in disaster-prone areas avoid future disaster damage through mitigation projects in conjunction with State and local government agencies. In its 15 years, it has helped more than 2,500 properties and saved \$2.9 billion in property losses. Never once have these grants been taxed, nor were they ever intended to be.

But the IRS decided last summer that unfortunately nothing specifically in tax law allows the tax exemption, and it let people know these FEMA grants would be considered taxable unless Congress directed otherwise. Therein lies the urgency of our effort. That is why 87 Members of the House have signed onto H.R. 1134; and that is why we are here today, to ensure that those who participate in mitigation projects are not punished for doing so.

Mr. Speaker, these grants help save both property and lives from the wrath of tornadoes, hurricanes, floods, earthquake, and other disasters. They also help save the Federal Government money in the long run through emergency disaster spending. To penalize taxpayers for accepting help in mitigating future and costly property damage is simply penny wise but pound foolish. Fifteen years ago Congress authorized these programs, but unwittingly neglected to spell out that they are, indeed, tax exempt, like many, many other disaster grant programs. We are here today to correct that oversight.

Mr. Speaker, I reserve the balance of my time.

Mr. CARDIN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, let me start by thanking the gentleman from Florida (Mr. FOLEY) for his leadership on this issue, for bringing forward this legislation. It certainly is a bill that will help those who have been victims of natural disasters and a bill of which I am a cosponsor and strong supporter.

Thousands of Americans in all parts of our country have faced tragedy brought by natural disasters in the past year. Whether in the form of hurricanes in the Southeast, or torrential and resulting mudslides in the West, many Americans have had to deal with Mother Nature’s forces and have faced the daunting task of reassembling their homes and lives in the aftermath.

H.R. 1134 aims to offer some relief to Americans who, as a result of these unpredictable natural disasters, will suffer personal and property losses.

FEMA helps those affected get through the difficult times following such disasters; but today, Congress is taking our own role, one step closer to helping these victims. I am proud to join my colleagues and 84 additional bipartisan cosponsors of H.R. 1134, which will allow an exclusion from taxes for relief payments made to tax-paying

Americans for efforts taken to mitigate some of the possible effects of natural disasters.

Mr. Speaker, this not only helps the victims because it gives them some relief from having the burden of paying the taxes on these funds; but it also encourages mitigation, which is by far the priority, to try to mitigate the future damages caused through unpredictable natural disasters.

Americans can benefit from taking steps to prevent the extent of damage that could occur during these times of natural disaster, and we should encourage such steps being taken. Today we have the opportunity to vote on H.R. 1134 and offer some additional assistance to Americans at a time when many might need that help the most.

I know this does not do everything for everyone, and we will certainly be hearing from my colleague from New York who has a valid point, but I urge my colleagues to take the step we have available today to help those receiving assistance through FEMA for mitigation funds so it becomes more of a reality to these victims. They have suffered enough. We can help through this legislation.

Mr. Speaker, I reserve the balance of my time.

□ 1515

Mr. FOLEY. Mr. Speaker, I yield 2 minutes to the gentleman from Ohio (Mr. PORTMAN), a member of the Committee on Ways and Means.

Mr. PORTMAN. Mr. Speaker, I rise in strong support of the gentleman from Florida's legislation that would make clear that property owners who participate in hazard mitigation projects will not be taxed on the mitigation assistance. This legislation is very important because it reverses a June 2004 IRS ruling which determined that Federal FEMA hazard mitigation assistance represented taxable income to participating individuals and businesses.

I want to commend the gentleman from Florida for his leadership and for his leadership on this. I want to thank the gentleman from California (Mr. THOMAS) also for ensuring its expeditious consideration today on the floor. This legislation is very important to Ohio. Passage of it will encourage our disaster impacted communities and our citizens to seek out mitigation assistance and limit damage to property and to people.

Mitigation is absolutely crucial to ongoing disaster recovery efforts in my State of Ohio which in the past 18 months has had seven Federal disasters. In most cases mitigation assistance is used to elevate the homes to a better level of protection or move families out of harm's way. It is often the only hope for repetitive loss disaster victims. The intent is to prevent those homes from suffering future losses, protect the people and reduce the rate of Federal disaster response and recovery cost increases. Many of the people

who have taken advantage of such assistance are people living in lower valued property in the flood plain who could not afford to move on their own.

In Ohio, the hazard mitigation grants through FEMA are administered by the Ohio Emergency Management Agency. Currently in southwestern Ohio there is one project in the district I represent, the village of Fairfax, and there is one right near my district in the city of Fairfield.

Through community support, both of these mitigation projects are in the process of removing people from repeated flooding areas and making homes more resilient to flooding. A total of 46 participants in these two projects include many families who will likely not have to suffer severe impact to their homes the next time it should flood, and it will flood again. They also, very importantly, would be unlikely to need any other Federal or State disaster assistance. The total cost of these projects is about \$4.5 million. Taxing this investment into these communities and the lives of these homeowners like those in Fairfax will discourage future participation. If the IRS rule is allowed to stand, these communities will be hesitant to participate in mitigation because of that liability.

This IRS policy undermines our Nation's efforts to lower the costs of future disasters through mitigation. It also discourages individuals who are affected by repeated disasters from removing themselves from harm or taking action to prevent repeated damage loss and property loss, the very actions we are trying to encourage as the Federal Government. Today we have an opportunity to correct this disincentive.

Mr. Speaker, I strongly support H.R. 1134 and I urge my colleagues to support it.

Mr. CARDIN. Mr. Speaker, I am pleased to yield 6 minutes to the gentlewoman from New York (Mrs. MALONEY).

Mrs. MALONEY. Mr. Speaker, I thank the gentleman for yielding me this time and for his leadership. I am delighted to join my colleague from Florida (Mr. FOLEY) on the other side of the aisle in support of this legislation. The bill before the House does the right thing for the disaster victims of Florida and Louisiana, but it does wrong, truly wrong, for the New York victims of the September 11 terrorist attacks. I would like to appeal to my colleague on the other side of the aisle to join me in trying to reverse the unfair taxation on grants to the victims of 9/11, specifically the businesses, as we go forward.

When thousands of lower Manhattan small businesses were on the brink of complete failure as a result of September 11 and the terrorist attack against our country, these businesses accepted Federal recovery grants but were then told months later that those grants would be taxed and treated as income. That, in my opinion, wrongful

taxation was the straw that broke the back of many small businesses in New York after 9/11 and it continues to this day to be a burden on small businesses who were forced to take out loans to pay taxes on disaster recovery grants. Granted it was not a FEMA mitigation grant but it was a disaster recovery grant, so it was in the same feeling or in the same purpose as the legislation before us.

What causes me so much concern today, Mr. Speaker, is that we have sought the same treatment, the exact same treatment for 9/11 victims for more than 3 years that the Members are seeking today for victims in their States. Along with the gentleman from New York (Mr. NADLER) and the bipartisan delegation of New York, I have introduced legislation to reverse taxation on the 9/11 aid grants. We have offered amendments to reverse this taxation with the active support of the gentleman from New York (Mr. RANGEL), Ways and Means members and others from the New York delegation. We have testified before the Committee on Rules, made numerous speeches before this body, sought hearings for the legislation and held countless events to seek action from House leaders to reverse this wrongful taxation on 9/11 aid grants. We have been trying for more than 3 years to have the small business victims of 9/11 treated fairly, but this body has not found a way as yet to advance that legislation. Again, I am appealing to my colleagues from Florida and Louisiana to help our constituents as they are helping theirs today.

Now, today, we are watching a bill sail to the floor for passage, without a hearing, without a markup in committee, without any of the months and years of effort that the New York delegation and business leaders from New York City have put into seeking redress for 9/11 disaster victims that were treated unfairly and wrongly.

Let me be absolutely clear that I find no fault with the repeal of wrongful taxation on the recovery grants for Florida and Louisiana victims of disaster. I feel they are entitled. The purpose of disaster relief is to relieve them, to get that money back in the community, to help them restore and be made whole, not to tax it. But I do find fault with the exclusion of 9/11 victims in this bill when we have fought so long and so hard to achieve the exact same fairness for them. If the Federal Government should not collect taxes on aid to hurricane victims, then it should not collect taxes on 9/11 relief grants which is truly the worst disaster that this country has ever suffered. It is an act of war. We are still suffering from that terrible, terrible action against innocent people.

I again want to make clear that I am supporting the legislation. I would like to place in the RECORD a report from the Joint Committee on Taxation where they estimated that approximately \$268 million was sent back to Washington in the form of taxes on the

relief grants following 9/11. It is unfair to New York and to those who suffered the most from the terrorist attacks against our Nation.

I call upon the authors of this legislation and the gentleman from Florida (Mr. FOLEY), whom I know has many friends in New York and has been a strong ally in working with the recovery of New York after 9/11, and I call upon the House leadership and appropriate committee chairmen to do the right thing for the 9/11 victims. I really implore my colleagues on the other side of the aisle to do the right and fair thing for the victims of 9/11 because of the wrongful taxation on their recovery grants and we call upon this body to treat them with the same attention and care that we are rightfully showing to the victims of disasters in other parts of our Nation today.

Again, I support this legislation. Again, I appeal to my colleagues on the other side of the aisle to give the like, same fair treatment to the sufferers and the victims and the grants for 9/11.

CONGRESS OF THE UNITED STATES,  
JOINT COMMITTEE ON TAXATION,  
Washington, DC, June 17, 2003.

Hon. CAROLYN MALONEY,  
House of Representatives,  
Washington, DC.

DEAR MS. MALONEY. This letter is in response to your request of June 9, 2003, for a revenue estimate of a proposal to exclude from gross income certain Federal funds granted as a result of the terrorist events of September 11, 2001.

In general, under present law, unless income is received for "general welfare" or for compensation for losses that are not otherwise compensated, grants from the Federal government are included in income. To the extent not already excluded under present law by the general welfare doctrine or otherwise, your proposal would exclude from gross income payments of certain Federal funds made as assistance on account of property or business damaged by, and for economic revitalization directly related to, the terrorist attacks on the United States that occurred on September 11, 2001.

Assuming that your proposal would be enacted on July 1, 2003, and effective for taxable years ending after September 11, 2001, we estimate that your proposal would have the following effects on Federal fiscal year budget receipts:

<i>Fiscal years</i>	<i>Millions of dollars</i>
2003 .....	-24
2004 .....	-135
2005 .....	-61
2006 .....	-30
2007 .....	-11
2008 .....	-5
2009 .....	-2
2010 .....	—
2011 .....	—
2012 .....	—
2013 .....	—
2003-08 .....	-266
2003-13 .....	-268

I hope this information is helpful to you. If we can be of further assistance in this matter, please let me know.

Sincerely,

GEORGE K. YIN.

Mr. FOLEY. Mr. Speaker, I yield 2 minutes to the gentleman from Oklahoma (Mr. ISTOOK) who has been extraordinarily helpful in the promulgation of both this bill and, of course,

working with the State of Oklahoma in creating safe rooms and other mitigation grant programs.

Mr. ISTOOK. Mr. Speaker, I appreciate very much the assistance of the gentleman from Florida (Mr. FOLEY), the actions of the Committee on Ways and Means and the gentleman from California (Mr. THOMAS), and I rise in support of this bill, H.R. 1134.

My home State of Oklahoma in the last 15 years has received some \$60 million in mitigation grants to help people avoid potential injury from tornadoes through the construction of storm shelters and safe rooms. It is important that they not be told now that those are subject to taxation, when they are being told or had been told throughout this time that, no, this is not taxable, this is to protect you, because, after all, we know that although you can move out of the flood plain, you can move away from the coast, you can stay clear of an earthquake fault line but tornadoes hit everywhere and they have wind speeds of up to, in fact, in some cases over 300 miles an hour, twice as much as the wind speed you have in a hurricane. They occur in Oklahoma, but they also occur in Massachusetts. They occur in Wisconsin and Illinois and Missouri and Alabama and Ohio and Texas. You cannot mitigate in advance by moving someplace where you know that it cannot happen.

It is important that we not improperly subject people now from the construction of these shelters to taxation on them. Thousands of them have been constructed in Oklahoma and I do not want them to be subjected to taxation. It is important that we understand that although this bill says, from henceforth these are not going to be taxable, it is my understanding that the Treasury Department says that this change in the tax law will give them the authority to go back and declare the prior grants not to be taxable, also. We are expecting that letter from the Treasury Department after the passage of this bill, and I look forward to that.

I thank the gentleman from Florida for this legislation and I ask all of my colleagues to join with me in passing H.R. 1134.

Mr. FOLEY. Mr. Speaker, I yield 2 minutes to the gentleman from Louisiana (Mr. JINDAL), a new Member of Congress who has been a very active participant in helping us bring this legislation to the floor.

Mr. JINDAL. Mr. Speaker, I want to applaud the gentleman from Florida (Mr. FOLEY), and I want to thank the gentleman from California (Mr. THOMAS) for allowing us to debate this very important bill. I would certainly urge support from all my colleagues to correct an injustice. Certainly there are many families impacted in Louisiana by this new tax ruling from the IRS.

I want to focus on two families in particular. To avoid repeating much of what has already been said, I want to focus on two families in particular that

will be helped by the passage of H.R. 1134. First, I would turn your attention to the Guidry family. They live in Slidell, Louisiana. They are constituents of mine. They received \$125,000 to mitigate flood damage and to protect them against future loss. A good thing, you might say, after their home was damaged in Hurricanes Isadore and Lili. Indeed, it was a good thing that our government stepped in to help them recover not only from this natural disaster but also to prevent future flood damage and to protect this family from future damage and also to protect the Federal Treasury. However, with this new ruling, this novel ruling from last year, this new ruling that their income tax would now have to increase, not only were they raised and put into a higher tax bracket but their son who is paraplegic and who attends college on a need-based Pell grant is now being faced with the prospect of losing his financial aid and having to drop out of school if we do not pass this bill. This same family, the Guidry family, is also facing the prospect of having to sell the home in order to pay the taxes for the grant they received to fix the home that they owned in the first place. Certainly this is not what this body intended when we provided assistance and recovery dollars to those that are impacted by natural disasters.

A second example. Mike Perkins, also from Slidell, received a grant back in 2001 to raise his home again to prevent future floods and also to save our Treasury from future damage claims. He finished construction 3 years ago, thought this was a closed issue, has been living in this home for over 3 years since he repaired his home, raised the home, until he got a letter from his local government in January saying that now, after the fact, he would have to pay higher taxes.

I am very pleased not only for the support from the gentleman from Florida (Mr. FOLEY) and from the gentleman from California (Mr. THOMAS) but also from the Treasury Department. I am also anticipating a letter from the IRS indicating that they do not intend to go back in time and retroactively apply these higher taxes, these surprise taxes to people who received grants in previous years, adding insult to injury to those who are recovering from natural disasters.

I urge my colleagues to support this bill.

Mr. FOLEY. Mr. Speaker, it is my pleasure to yield 2 minutes to the gentleman from Washington (Mr. REICHERT), a new Member and former sheriff of King County.

Mr. REICHERT. Mr. Speaker, I rise today to speak on a bill that quite frankly is common sense. Thousands of Americans reach out to the Federal Emergency Management Agency in times of disaster. Their homes have been battered and decimated by earthquakes, volcanoes, tornadoes, floods and more. In these moments of despair, they look to the Federal Government

for help and we provide that help. Through FEMA, Americans are able to get back on their feet in financial situations where they normally would have no other resource. Emergency grants are just that, emergency funding, money to be spent in extreme circumstances, to get a roof back on a family's home, to put a missing wall back on a community resource center, to coordinate local outreach for first responders. These funds were never intended to be taxed.

The gentleman from Florida seeks to relieve an unfair tax provision today, to make sure that in times of crisis we are not looking to take these emergency funds and treat them as regular income.

□ 1530

FEMA disaster grants are lifesaving funds, not added income. This bill is critical. I thank my colleague for introducing this important legislation and urge the House to pass it as soon as possible.

Mr. FOLEY. Mr. Speaker, I yield 2 minutes to the gentleman from Pennsylvania (Mr. FITZPATRICK), a member of the Committee on Financial Services, another active participant in our efforts to get the bill on the floor today.

Mr. FITZPATRICK of Pennsylvania. Mr. Speaker, I rise in support of H.R. 1134. The Federal Emergency Management Agency's flood mitigation program is one of the cornerstones of our country's disaster emergency management system. The flood mitigation program is the tangible manifestation of the Federal Government's ongoing effort to prevent damage and lessen the effect disasters have on persons' lives and property.

Through FEMA's measures such as building safely within the floodplains, buying endangered houses, relocating homes, designing and reengineering buildings and infrastructures, and elevating houses and businesses, the effect of floods, hurricanes, and other natural hazards on American lives and communities is lessened.

I congratulate the gentleman from Florida (Mr. FOLEY), whose Florida congressional district, like my district, has been ravaged by hurricanes and flooding, for sponsoring H.R. 1134. I also commend all of the House Members who have co-sponsored this bill and who have helped bring it to the floor today.

Mr. Speaker, H.R. 1134 is necessary legislation. It will amend the Internal Revenue Code so as to provide for the proper tax treatment of disaster mitigation payments. Currently, the IRS has taken a position that such disaster relief payments will be treated as taxable. In a heavy-handed fashion the IRS's fashion truly kicks people while they are down.

But H.R. 1134 does more. It not only provides tax relief to individuals who have suffered, often losing their homes and businesses from floods; it will en-

courage Americans to participate in FEMA's flood mitigation program.

Mr. Speaker, I know firsthand the necessity of H.R. 1134. In 1999 when hurricanes hit, I was a county commissioner in Bucks County, Pennsylvania. The rains and the flooding were devastating. The flooding along the Neshaminy Creek wiped out over 300 homes and over 100 businesses. I was on the ground dealing with FEMA and with other disaster agencies. We were there. We dealt with the individuals and the families. We encouraged the citizens to participate in these Federal programs that will reduce Federal programs and funding requirements in the future. The Federal Government assured my constituents, Mr. Speaker, that those proceeds would not be taxable.

So this is the right bill at the right time, and I urge the passage of H.R. 1134.

Mr. CARDIN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, let me once again urge my colleagues to support this legislation. I was listening to my colleagues speak, and there is not a region in this country, there is not a State in this country that has been subjected to natural disasters. In my own State Hurricane Isabel left an indelible mark upon the people of Maryland, and I saw firsthand the people who suffered as a result of that natural disaster and the need to do mitigation and FEMA-providing resources in order to assist us to take action to prevent this type of devastation in the future. This bill will help in dealing with those types of circumstances.

And once again I want to congratulate the gentleman from Florida (Mr. FOLEY) for bringing this forward. This is strongly supported on both sides of the aisle, and we urge our colleagues to support the legislation.

Mr. Speaker, I yield back the balance of my time.

Mr. FOLEY. Mr. Speaker, I yield myself such time as I may consume.

Let me again personally thank the gentleman from Maryland (Mr. CARDIN) for both his co-sponsorship and his helping us in bringing this bill to the floor today. I want to thank the gentleman from New York (Mrs. MALONEY) in her considered comments. I want to thank the gentleman from Ohio (Mr. PORTMAN); the gentleman from Louisiana (Mr. JINDAL); the gentleman from Washington State (Mr. REICHERT); the gentleman from Pennsylvania (Mr. FITZPATRICK) for their comments; and of course the gentleman from Oklahoma (Mr. ISTOOK), who has worked with me side by side on this measure, bringing it to the floor today.

I think we have heard from all of the speakers the reasons for this important legislation; so I thank my colleagues for taking an active participating interest in this legislation. I thank the 87 co-sponsors who joined with us in urging the leadership to bring this measure to the floor. Again, thanks to the

gentleman from Texas (Mr. DELAY) for allowing the bill to be scheduled for consideration; and of course the gentleman from California (Mr. THOMAS), the chairman of the Committee on Ways and Means, without whose guidance and help this bill would not be possible.

We know it is important. We believe it helps mitigate against future losses. The record is clear how much we save as a government by providing these mitigation grants that never were intended for taxable treatment. This bill makes that record clear. I underscore and underline the gentleman from Oklahoma's (Mr. ISTOOK) comments concerning reactivity. We believe once this bill is passed into law and signed by the President that those prior acts of governments working together to mitigate disasters will not be taxable items. That should be coming from the Treasury to instruct the IRS relative to that procedure.

Mr. Speaker, I want to also thank my staff, Liz Nicolson. I want to thank the Members of the Ways and Means staff: Bob Winters, Chris Giosa, Shahira Knight, Allison Giles; and of course my colleagues on the Senate side, Senators BOND and LANDRIEU, for their efforts in bringing this bill to the Senate.

Mr. DAVIS of Florida. Mr. Speaker, today I rise before this House as a proud Floridian. Over this past year the people of my home State have demonstrated an amazing amount of tenacity and the ability to help each other in their great time of need. Yes, it has been quite a few months since the Hurricane season of 2004 ravaged us, but the sight of blue tarps replacing roofs on homes and piles of debris are still all too rampant—and in only 12 weeks the Hurricane season of 2005 will be upon us. I am pleased to stand before this chamber in support of Congressman FOLEY's effort to ease the pain for those who were affected by the tragic events of this last hurricane season.

Sadly, the reality of these kinds of natural disasters is that many businesses never reopen and unemployment remains high long after the storms have gone. The Florida tourism industry is still very bruised because of canceled seasons and slower recovery times in certain areas of the State. By exempting hazard mitigation grants from being considered personal income for tax purposes, we are easing the path to recovery for a large number of Floridians.

While this legislation won't remove all of the obstacles that these storms have put in our way, it certainly will be a useful tool in the effort to fully recover.

Ms. ESHOO. Mr. Speaker, I'm pleased to rise today in support of H.R. 1134, a bill to exempt FEMA's mitigation grants from federal income taxes, as was Congress's original intent. I commend my colleagues for their swift, bipartisan action in addressing this issue.

These mitigation grants were created to give citizens a proactive way to prepare for future disasters, thereby minimizing the damage they cause. These grants have proved to be extremely successful, saving millions of dollars in post-disaster funding as well as lives lost to natural disasters. Despite this success, the IRS ruled in June of 2004, that these grants

should be included in grant recipients' gross income and be subject to federal income taxes. Taxing this assistance effectively removes the incentive for citizens to participate.

Not only was this decision contrary to the intent of these grant programs, but the delay in notifying affected taxpayers has caused considerable alarm. I met personally with IRS Commissioner Everson to urge him to provide temporary relief while Congress worked toward a legislative solution, but without a reversal of the IRS ruling, it is essential that the House pass this bill today.

In Felton Grove, one of the affected areas of my Congressional District, there are 30 families, many of them low-income, who are facing an enormous and unexpected tax burden this year. Many of these constituents earn between \$30,000 and \$40,000 a year. With grant averages from \$40,000 to \$160,000, if this determination is allowed to stand, some of my constituents' annual gross incomes will grow from \$40,000 to \$200,000. For these unfortunate constituents, nearly all of their annual income will have to be paid to the IRS, and many will face financial ruin.

Mr. Speaker, on behalf of my constituents who are living in fear of the upcoming April 15th tax filing deadline, I urge my colleagues in the House to vote for this legislation so that it can become law.

Mr. BOUSTANY. Mr. Speaker, I rise today in support of H.R. 1134, which will amend the tax code to remove disaster mitigation payments from consideration as gross income. I would like to thank my colleague, Mr. FOLEY of Florida, and my colleague, Mr. JINDAL, for their leadership on this issue and introducing the legislation we consider here today.

The Seventh Congressional District of Louisiana provides an unsurpassed location for agriculture, energy, and petrochemical production. However with these benefits, which our Nation depends heavily upon, come risks because of its vulnerability to natural disasters including floods, tornadoes, and hurricanes. In 2002, Hurricane Lili made landfall just south of Abbeville, Louisiana. She caused over \$850 million in damage and temporarily halted all oil and gas production in the Gulf of Mexico. The hard-working men and women of southwest Louisiana will continue to take risks for good of this country, and it is only fair to remove the tax burden suffered because of improvements made to their property which allow them to remain and prosper in this sometimes dangerous region.

Many homeowners who would like to participate in the grant and need to remove their homes from danger cannot currently afford to participate in the grants, and are either faced with increased flood insurance premiums or losing their homes. The current average cost to either elevate a slab structure or a second story conversion (all living area is moved to a new second story and first floor is gutted) is over \$100,000 for a modest size home in Louisiana. Many of these projects approach \$200,000. For the average homeowner to suddenly have to declare an additional

\$100,000—\$200,000 as personal income will devastate most families. Tax liability should not discourage these people from accepting disaster mitigation payments intended to reduce injuries, loss of life, and damage and destruction of property.

America depends on resources and services that are provided by the people of southwest Louisiana. The men and women I represent must remain in harm's way to deliver for others. It is for this reason that I support H.R. 1134 which offers tax relief to those families needing disaster mitigation payments.

Ms. JACKSON-LEE of Texas. Mr. Speaker, I rise today as a supporter of H.R. 1134 which would amend the Internal Revenue Code of 1986 to provide for the proper tax treatment of certain disaster mitigation payments. This legislation is vital to all Americans who live in areas that are more likely to encounter natural disasters. This legislation ensures that grants given to disaster victims to avoid future disaster damage will not be taxed on those grants.

FEMA has helped disaster victims avoid future disaster damage through a hazard mitigation program that has existed for about 15 years, helped more than 2,500 properties and saved \$2.9 billion in property losses. These disaster prevention grants have never before been taxed nor were they ever intended to be. However, the IRS decided last summer that nothing in tax law specifically prevented taxation, and felt obliged to let people know they would be considered taxable unless Congress directed otherwise. Thankfully, this legislation alleviates the possible tax burden on those who accept these disaster prevention grants. Considering that these grants tend to number in the thousands of dollars, it is clear that the tax burden on these grants would be too much for the average individual to bear. H.R. 1134 allows individuals to accept these vital disaster prevention grants without fear of possible tax implications and that is quite clearly how the program is supposed to work.

H.R. 1134 will also be of great help to my constituents in the 18th Congressional District of Texas. Houston due to its location and geography has always been particularly vulnerable to flooding. In 1900 a major hurricane destroyed much of Galveston Island, killing more than 6,000 people. An elevated barrier, the Sea Wall, was later constructed to hold back future storm surge and flood waters, allowing the city to thrive. This is a clear example of how projects for disaster prevention can be tremendously successful in alleviating future damage. Houston was again devastated in 2001 when Tropical Storm Allison displaced thousands of Houstonians and left \$5 billion in damage in the wake of its flood waters. I am thankful that the FEMA grants that were given to individuals after that natural disaster were not taxed, otherwise many individuals would have to reject these grants out of fear of an overwhelming tax burden. This legislation makes certain that no victim of a natural disaster has to choose between accepting federal disaster assistance or contemplating its tax implications.

Mr. THOMAS. Mr. Speaker, I strongly support H.R. 1134, which embodies the President's budget proposal to provide tax relief to those who will and who have accepted Federal Emergency Management Agency (FEMA) disaster mitigation grants.

The bill is necessary to promote effective use of the mitigation grants. These mitigation grants alleviate the severity of the damage caused by unpredictable but anticipated natural disasters. These grants save taxpayer dollars by reducing future Federal disaster relief payments resulting from such disasters.

Present law allows an income exclusion for amounts received by individuals as qualified disaster relief payments. This exclusion was enacted by Congress as a response to the disasters that occurred on September 11, 2001. This existing statutory exclusion applies only to amounts received by individuals as a result of a disaster that has actually occurred; thus, mitigation grants do not qualify. Given that an exclusion applies to payments made to victims after a qualified disaster, it is consistent to allow an exclusion for payments made to mitigate future disaster damage.

Prior to the award of any mitigation grant, a cost-benefit analysis is required to ensure that the cost of funding the project is less than the damages expected to be incurred in the event of an actual disaster (absent the mitigation). FEMA mitigation grants are only awarded if projects are determined to be cost effective. Because mitigation is more cost effective for the Federal government than repair after the occurrence of a disaster, the FEMA mitigation programs are intended to translate into net benefits for the government. So, unlike grants which have been made available as income replacements and would be considered taxable income as a result, accepting these funds means taxpayers will face fewer claims for disaster aid later on. FEMA mitigation grants help people avoid the loss of life and property due to natural disasters. Mitigation programs reduce the number of cases where taxpayers would pay for meaningful disaster relief. We want to encourage people to take advantage of these life-saving and cost-saving programs.

But recent IRS pronouncements that disaster mitigation grants are taxable income are discouraging people who live in flood-prone areas and elsewhere from accepting assistance needed to reduce the loss of life and property in future disasters. Some participants may not have the cash necessary to pay the tax imposed on the benefits provided by the mitigation grants. For people in potential disaster areas, the threat of immediate tax on something they have received in kind may be enough to keep them from accepting the help.

H.R. 1134 is relatively simple. If FEMA funds are used to improve a dwelling, for example, the funds (and what they pay for) would not be treated as income when the improvements are made, but the owner would also not be able to get a double benefit by adding the value of the improvements to the cost basis of his property. In some cases, FEMA actually funds buyouts of owners in dangerous areas. Here, H.R. 1134 gives the owner a choice: they can take the benefits which may be available under current law (for example, the exclusion of gains on a principal residence) or they can defer tax using involuntary conversion procedures.

The bill includes several provisions to ensure that the exclusion is not overly broad. Not only does the bill provide that there is no increase in basis on account of amounts excludable under the bill, the bill also provides that no additional deduction or credit is allowed with respect to amounts excluded from income. Amounts received upon the sale of

property for purposes of hazard mitigation are afforded deferral of gain recognition, rather than an unlimited income exclusion.

The exclusion under the bill applies to payments made to businesses because, unlike other grants that are not excludable because they are in the nature of income replacement, FEMA mitigation payments received by businesses are made to ultimately benefit the local community and Federal government.

An income exclusion is appropriate for FEMA mitigation grants as such grants are distinctly different from other government grants. As mentioned, FEMA mitigation grants are only awarded if the projects are determined to be cost effective for the government. In addition, in the case of FEMA grants, if an exclusion is not allowed and individuals choose not to participate in the mitigation programs, the government may face increased spending, not only on behalf of one individual, but on behalf of entire communities in some cases. Finally, in the case of FEMA grants, present law imposes an illogical result in that mitigation grants are not excludable from income, but if mitigation grants are not accepted and a disaster subsequently occurs, payments made by the government to individual property owners could then be excluded from income.

Generally, the proposal would have a prospective effective date. However, with respect to past mitigation payments where the statute of limitations has not expired, the President's proposal provides that the Treasury Department will have administrative authority to apply the policy proposed in the budget and embodied in H.R. 1134 to such cases. I strongly urge the Department of Treasury and the IRS to resolve existing cases in a manner consistent with this legislation so that taxpayers who have already undertaken mitigation will not bear the unexpected burden of extra tax liabilities.

H.R. 1134 will cut taxes by \$105 million over the next decade. FEMA estimates that mitigation projects over the past several years have saved our Nation nearly \$3 billion in disaster-related costs. Clearly, when one compares the price of H.R. 1134 with what we might pay in future relief efforts, this bill is worth moving forward and passing into law.

Mr. COLE of Oklahoma. Mr. Speaker, I rise today in support of H.R. 1134. This important legislation prevents the IRS from taxing disaster mitigation grants provided by FEMA.

This legislation is necessary and urgent due to the IRS's recent decision that Federal grant money used to build tornado shelters is taxable. Oklahomans who received the grants were not given any prior notice that money received would be taxable. Nor did Congress ever express the intent that such grants were to be taxable. The IRS simply conjured up this decision out of thin air.

It makes no sense for the government to tax Federal money given to mitigate disasters. Disaster relief saves lives, limits damages and makes sense. Taxing the very grants that make this possible is not wise, and it is especially unfair given that this IRS decision will cost the taxpayers of Oklahoma \$29 million over 5 years. These FEMA grants were given to thousands of Oklahomans with the average grant in the amount of \$2,000. And, as I said earlier, the recipients were never advised that these grants would be taxable.

No revenue has ever been collected from taxing FEMA grants. The IRS's decision is

without precedent and reflects poorly on the career bureaucrats who devised this action. H.R. 1134 reverses this senseless bureaucratic decision and prohibits these grants from being taxed.

I want to thank the gentleman from Florida, Mr. FOLEY, the gentleman from Louisiana, Mr. JINDAL, the Oklahoma delegation and the Ways and Means Committee for making consideration of this legislation possible. I would urge Members to support passage of this legislation.

Mr. FOLEY. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. PETRI). The question is on the motion offered by the gentleman from Florida (Mr. FOLEY) that the House suspend the rules and pass the bill, H.R. 1134.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

#### HOUSE DEMOCRACY ASSISTANCE COMMISSION RESOLUTION

Mr. BARRETT of South Carolina. Mr. Speaker, I move to suspend the rules and agree to the resolution (H. Res. 135) providing for the establishment of a commission in the House of Representatives to assist parliaments in emerging democracies.

The Clerk read as follows:

H. RES. 135

*Resolved,*

##### SECTION 1. SHORT TITLE.

This resolution may be cited as the "House Democracy Assistance Commission Resolution".

##### SEC. 2. FINDINGS.

The House of Representatives makes the following findings:

(1) Since its founding, the United States has championed the expansion of democracy around the world.

(2) Indeed, beginning with the Continental Congress and continuing through the modern Congress, representative institutions have served as a critical component through which the American people have expressed their views on policy issues and through which the power of other government branches has been balanced.

(3) In his second inaugural address on January 20, 2005, President George W. Bush declared: "We are led by events and common sense to one conclusion: The survival of liberty in our land increasingly depends on the success of liberty in other lands. The best hope for peace in our world is the expansion of freedom in all the world. . . . So it is the policy of the United States to seek and support the growth of democratic movements and institutions in every nation and culture, with the ultimate goal of ending tyranny in our world."

(4) Strong institutions, particularly national legislatures with proper infrastructure, are essential for democracies to mature and to withstand cyclical turnover in governments.

(5) Furthermore, the parliaments of emerging democracies are commonly comprised of new legislators, citizens from many walks of life, who face the challenges of creating new democratic systems without the benefit of previous legislative experience. The legislatures of these fledgling democracies often

lack training, equipment, or resources to carry out their work effectively.

(6) Many parliaments do not possess the necessary technology, such as modern computer equipment, software, or access to databases and electronic resources, to facilitate the timely flow of legislative information to lawmakers and legislative staff.

(7) Parliaments in fledgling democracies also frequently lack trained staff to provide nonpartisan policy information, to draft legislation, and to advise legislators on policy matters.

(8) Newly democratic parliaments may lack the resources to establish internal libraries, reference materials, and archiving capabilities for use by legislators and staff.

(9) From 1990 through 1996, the United States House of Representatives, in conjunction with the House Information Systems Office (later known as House Information Resources) and the Congressional Research Service (CRS) of the Library of Congress, provided equipment and technical assistance to newly democratic parliaments in Central and Eastern European countries, including Albania, Bulgaria, the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Romania, Russia, Slovakia, and Ukraine, in an effort to develop and strengthen those institutions.

(10) This program, commonly known as the "Frost-Solomon Task Force", not only served the United States foreign policy goal of helping to establish democratic institutions in other countries, but also developed significant goodwill in the countries in which it was implemented. The program was designed to improve the efficiency of parliaments and the professionalism of their members and staff, as well as to increase transparency and accountability.

(11) A program similar to the Frost-Solomon Task Force would enable Members, officers, and staff of the House of Representatives to share their expertise and experience with their counterparts in other countries, in keeping with the declared policy of the United States to support the growth of democratic institutions, thereby undertaking what President Bush called "the idealistic work of helping raise up free governments".

##### SEC. 3. ESTABLISHMENT OF COMMISSION.

There is established in the House of Representatives a commission to be known as the House Democracy Assistance Commission (hereafter in this resolution referred to as the "Commission").

##### SEC. 4. MEMBERSHIP OF COMMISSION.

(a) NUMBER AND APPOINTMENT.—The Commission shall be composed of Members of the House of Representatives, the number of whom shall be determined by the Speaker of the House of Representatives, in consultation with the Minority Leader of the House of Representatives. Majority party members shall be appointed by the Speaker of the House of Representatives and minority party members shall be appointed by the Minority Leader of the House of Representatives.

(b) TERMS OF MEMBERS OF THE HOUSE OF REPRESENTATIVES.—Each member of the Commission shall be appointed for a term that is concurrent with the Congress in which the appointment is made. Such a member may be reappointed for one or more subsequent terms in accordance with the preceding sentence.

(c) CHAIRPERSON.—The Chairperson of the Commission shall be designated by the Speaker of the House of Representatives from among the members appointed by the Speaker of the House of Representatives under subsection (a).

**SEC. 5. DUTIES OF COMMISSION.**

(a) **ACTIVITIES.**—The Commission shall work with the parliaments of selected countries, as determined pursuant to subsection (b)(4), on a frequent and regular basis in order to—

(1) enable Members, officers, and staff of the House of Representatives and congressional support agencies to provide expert advice to members and staff of the parliaments of selected countries;

(2) enable members and staff of parliaments of selected countries to visit the House of Representatives and its support agencies to learn about their operations first-hand; and

(3) provide recommendations to the Administrator of the United States Agency for International Development regarding the provision of material assistance, such as modern automation and office systems, information technology, and library supplies, that the Commission determines is needed by the parliament of a selected country in order to improve the efficiency and transparency of its work, and to oversee the provision of such assistance.

**(b) STUDY.**—

(1) **IN GENERAL.**—In order to carry out the activities described in subsection (a), the Commission shall conduct on an annual basis (or more frequently if necessary) a study on the feasibility of programs of assistance for parliaments of countries described in paragraph (2) for the purpose of strengthening the parliamentary infrastructure of such countries. The Commission shall designate those countries described in paragraph (2) with respect to which a study will be conducted under this subsection. The study shall assess—

(A) the independent and substantive role that each parliament plays, or could reasonably be expected to play, in the legislative process and government oversight;

(B) the potential benefit to each parliament of expert advice from Members and staff of the House of Representatives in areas such as the development of research services and legislative information systems, parliamentary procedure, committee operations, budget process, government oversight, and constituent services; and

(C) the need in each parliament for material assistance, such as modern automation and office systems, information technology, and research materials, in order to improve efficiency and transparency.

(2) **COUNTRIES DESCRIBED.**—The countries referred to in paragraph (1) are countries that have established or are developing democratic parliaments which would benefit from assistance described in this resolution.

(3) **SENSE OF THE HOUSE OF REPRESENTATIVES.**—It is the sense of the House of Representatives that the countries described in paragraph (2) with respect to which studies will be conducted under this subsection should reflect a geographic diversity and over time should include countries from each of the following regions: Africa, Asia and the Pacific, Europe, the Middle East and Central Asia, and the Western Hemisphere.

(4) **SELECTED COUNTRIES.**—From the countries studied, the Commission shall select one or more parliaments that it recommends should receive assistance under the provisions of this resolution, based on the criteria in paragraph (1). Assistance may be provided under the provisions of this resolution to a parliament selected under this paragraph only if the parliament first expresses to the Speaker of the House of Representatives an interest to receive such assistance.

**(c) REPORT.**—

(1) **IN GENERAL.**—Not later than September 30, 2005, and each September 30 thereafter until September 30, 2009, the Commission

shall prepare and submit to the Speaker of the House of Representatives, the Minority Leader of the House of Representatives, the Committee on International Relations and other appropriate House committees, the Office of Interparliamentary Affairs of the House of Representatives, and the Administrator of the United States Agency for International Development, an annual report on the following:

(A) **RESULTS OF STUDY.**—The results of the study conducted pursuant to subsection (b).

(B) **COMMISSION ACTIVITIES.**—In accordance with the results of such study, a review of the activities of the Commission in the previous year and a proposal for the activities of the Commission in the following year, as described in subsection (a).

(2) **DEFINITION.**—In this subsection, the term “other appropriate House committees” means the Committee on Appropriations, the Committee on House Administration, and the Committee on Rules of the House of Representatives.

**SEC. 6. ROLE OF THE COMMITTEE ON INTERNATIONAL RELATIONS.**

(a) **IN GENERAL.**—The Commission shall carry out the duties described in section 5 using the staff and resources of the Committee on International Relations, including the use of consultants, such as individuals with expertise in development of democratic parliaments, legislative systems management, legislative research, parliamentary procedure, related legislative matters, and technology systems management, as appropriate.

(b) **PARTICIPATION OF LEGISLATIVE BRANCH EMPLOYEES.**—At the request of the Commission, the head of any House office or congressional support agency may assist the work of the Commission by—

(1) detailing personnel of that office to the staff of the Committee on International Relations; or

(2) authorizing personnel of that office to participate in activities of the Commission.

**SEC. 7. TERMINATION.**

The Commission shall terminate on September 30, 2009.

The **SPEAKER** pro tempore. Pursuant to the rule, the gentleman from South Carolina (Mr. **BARRETT**) and the gentleman from California (Mr. **LANTOS**) each will control 20 minutes.

The Chair recognizes the gentleman from South Carolina (Mr. **BARRETT**).

**GENERAL LEAVE**

Mr. **BARRETT** of South Carolina. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on the resolution under consideration.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. **BARRETT** of South Carolina. Mr. Speaker, I yield myself such time as I may consume.

First, I want to thank the distinguished gentleman from California (Mr. **DREIER**), chairman of the Committee on Rules, and the distinguished gentleman from North Carolina (Mr. **PRICE**) for introducing this legislation. I would also like to recognize the gentleman from Illinois (Mr. **HYDE**), chairman of the Committee on International Relations, and the gentleman from California (Mr. **LANTOS**), our distin-

guished ranking Democrat member, as original co-sponsors.

Last week, the Committee on International Relations unanimously agreed to ask the chairman to seek immediate consideration of this resolution by the whole House under suspension of the rules. I would like to thank the leadership for moving so expeditiously to schedule this debate. I would also like to remember the role played by one of our long-time colleagues, the very distinguished gentleman from Nebraska, Doug Bereuter. Prior to his retirement last year after nearly 26 years in the House, Mr. Bereuter worked closely with the gentleman from North Carolina (Mr. **PRICE**) on this initiative. Doug Bereuter was a strong believer in helping to spread democracy to former dictatorships, a mission that he has continued to champion in his new role as President of the Asia Foundation. His commitment to interparliamentary relations was underlined by his service as president of the 26-nation NATO Parliamentary Assembly.

This resolution, in part, is of his legacy of the House of Representatives and to the expansion of democracy around the world.

Mr. Speaker, in his second inaugural address, the President of the United States, Mr. Bush, declared: “The best hope for peace in our world is the expansion of freedom in all the world . . . So it is the policy of the United States to seek and support the growth of democratic movements and the institutions in every nation and culture with the ultimate goal of ending tyranny in our world.”

The resolution before us would enable the House of Representatives to directly and personally answer the President’s call to support the growth of democratic institutions in every nation. House Resolution 135 creates the House Democracy Assistance Commission. This commission will allow Members and staff of the House of Representatives to work directly with their counterparts in new democracies around the world to help those parliaments play an independent and substantive role in the legislative process and government oversight. This commission would build on the legacy of the Frost-Solomon task force of the 1990s when the House worked with democracies then emerging in Central and Eastern Europe, helping their parliaments become independent, effective legislatures.

Today, with democracies spreading throughout the world, the House Democracy Assistance Commission would allow Members to personally undertake what President Bush called “the idealistic work of helping raise up free governments.” Through the House Democracy Assistance Commission, Members and their staffs from the House of Representatives will personally advise their counterparts from the parliaments of new democracies around the world both in their home capitals and here in Washington. Many of these

parliaments need assistance in areas like committee operations, government oversight, constituent relations, parliamentary procedure, bill drafting, and establishment of research services and legislative information systems.

In addition, when the commission identifies needs in developing countries, it can recommend that the U.S. Agency for International Development provide office equipment for information technology to enable those parliaments to become more efficient and transparent. Creation of the House Democracy Assistance Commission will enable the House of Representatives to personally answer the President's call to support the growth of democratic institutions in every nation.

I urge my colleagues to adopt this resolution.

Mr. Speaker, I reserve the balance of my time.

Mr. LANTOS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in strong support of this resolution. I strongly welcome this resolution to establish a commission in the House of Representatives to assist parliaments in emerging democracies. At the outset, I want to pay tribute to the distinguished gentleman from North Carolina (Mr. PRICE), who has been a consistent and steadfast advocate of the establishment of this commission. I also want to commend the gentleman from California (Mr. DREIER), my fellow Californian and friend, who is the author of this resolution, and the gentleman from Illinois (Chairman HYDE) for his leadership in moving the resolution through committee. I also want to commend the gentleman from South Carolina (Mr. BARRETT), our new colleague, for his work on this matter.

Mr. Speaker, our country has been the leading promoter of democracy from the very beginning of our Nation. It defines who we are as Americans, and it is rightfully a key and continuing element of our foreign policy.

In 1789, the year our Constitution went into effect and the year that George Washington was sworn in as our first President, the young United States supported the French Revolution. In 1848, the United States supported the uprising of the people of Hungary against the Hapsburg monarchy; and after Russia and Austria crushed that revolution, we welcomed to our shores Kossuth Lajos, the great leader of the forces of democracy in Hungary whose statue adorns our Capitol in perpetuity.

In 1918, our President Woodrow Wilson expressed the idea that it is in the national interest of the United States to encourage free and open and democratic governments. President Bush echoed that sentiment in his inaugural address earlier this year.

Mr. Speaker, this legislation provides for the establishment of a House commission to assist the new parliaments in emerging democracies. It is similar to the commission which was estab-

lished by the House of Representatives in 1990 as the former communist states of Central and Eastern Europe were emerging from Soviet dominance. Under the able leadership of our former colleague, Congressman Martin Frost of Texas, and then our late colleague, Congressman Gerald Solomon of New York, this commission worked with the Congressional Research Service and the Library of Congress to provide technical assistance and information to these new democracies in Central and Eastern Europe.

□ 1545

Our Commission played an important role in assisting the parliaments of these newly democratic states. This legislation establishes a Commission with a similar mandate to assist parliaments in newly emerging democracies in areas throughout the Middle East where we have recently seen the winds of democracy beginning to stir.

There are also parliaments in other parts of the world where assistance from the Congress can help to establish free and open and democratic practices that will strengthen the rule of law.

Mr. Speaker, we all know the need to break the grip of dictatorship wherever it exists, but that is merely the first step on a long journey. Without assistance to help in the establishment of institutions of democracy, countries in transition to a more pluralistic political culture will be subject to the risk of falling short of the aspirations of their citizens who promoted democratic values.

We in this body have a role, along with our democratic friends and allies, to help those who want assistance in strengthening legislative assemblies in many forms.

Mr. Speaker, I urge all of my colleagues to support this resolution.

Mr. Speaker, I reserve the balance of my time.

Mr. BARRETT of South Carolina. Mr. Speaker, I yield such time as he may consume to the gentleman from California (Mr. DREIER), sponsor of H. Res. 135, the distinguished chairman of the Committee on Rules.

(Mr. DREIER asked and was given permission to revise and extend his remarks.)

Mr. DREIER. Mr. Speaker, I rise in strong support of this resolution. I want to begin by thanking my colleagues; the gentleman from South Carolina (Mr. BARRETT) for his commitment to the effort of this resolution. Behind this resolution, of course, I want to thank my very good friend, the gentleman from California (Mr. LANTOS), for all of his efforts, and I appreciate his once again bringing to mind 1848, as he likes to regularly remind our Governor of California about what took place in 1848.

I also want to thank my good friend the gentleman from North Carolina (Mr. PRICE), who as the gentleman from California (Mr. LANTOS) said, has been working for a long period of time

on this. And of course Doug Bereuter, who is no longer serving in this House, but obviously put a lot of effort in this. And of course our former colleagues, Mr. Solomon and Mr. Frost.

I was privileged to serve on their task force in the early 1990s, and it is amazing when one looks at the success that we have enjoyed during that period of time. In fact, one of the greatest things that took place following our effort to establish those parliaments and put into place the expertise and the technical assistance and helping with constituent relations and demonstrating independence from the Executive Branch and all those great things as we worked with those fledgling democracies in Hungary and then Czechoslovakia and then Yugoslavia, obviously countries that have changed since that period of time, but Romania and Poland. It is amazing that it has not been necessary for the task force to be in place any longer. Why? Because we have seen following the efforts of that task force a great deal of success with those emerging parliaments, doing the very, very important independent thinking that parliaments need to do.

As the gentleman from South Carolina (Mr. BARRETT) pointed out so well in quoting President Bush's inaugural address and then his State of the Union message, it is very clear that we have witnessed an explosion of democracies throughout the entire world in recent months, and the fact that we have seen this explosion underscores the importance of this resolution which will, at the direction of the gentleman from Illinois (Speaker HASTERT), call for the establishment of this Commission, and I want to thank Speaker HASTERT, and of course the gentleman from Illinois (Chairman HYDE) for their strong support of this effort as well.

To me, this is one of the most exciting things that we will be able to do as an institution for a long period of time in the coming months and years, and I will tell you why, Mr. Speaker. If one looks at the challenges that we face, we know that the establishment of democracies is critical to the potential for us to diminish the kinds of threats that exist in the world. Military threats, terrorist threats are diminished with the success of democracies. And we all know that one election does not a democracy make. Over the past several months, to the surprise of many, we have seen elections take place in some places that have never experienced elections before; Afghanistan, for example. Never before had we seen an election take place in Afghanistan.

We have just now seen for the first time in a long, long period of time free and fair elections in the Palestinian territories, and then of course the most heralded election, when 8½ million Iraqis, to the surprise of many throughout the world, actually exercised that right to vote. And when we saw the emergence of the Shiia population, many thought that they would

through the election process squelch the opportunity for the Sunnis and the Kurds to be involved in the process, when instead with this election having taken place the Shiia have been reaching out to try and hold Iraq together.

And so now, we, as an institution, the United States House of Representatives, have a wonderful opportunity to provide assistance to countries that have seen elections take place and have yet to see their parliaments really flourish, first be established and then flourish.

And then of course just in recent weeks, what is it that we have seen? As the Secretary of State said not too long ago, if one were to guess that 250,000 people would be on the streets of Beirut, Lebanon calling for independence, it would have come as a surprise to almost anyone, and yet that is exactly what we have seen.

And so these opportunities for democracies to take off are emerging all over the globe, and that is why the establishment of this Commission is, I believe, going to be critically important to help with the strengthening of those democracies through the talent and expertise that will be necessary for the parliamentarians in those democracies.

And so, Mr. Speaker, I want to say that I believe this is a historic opportunity for the United States Congress to be involved in our direct association with democracy building and most specifically parliament building in those countries that are coming to the forefront, and we all hope that there will be even greater opportunities for the United States Congress to be involved in that democracy building in countries where we could not possibly even fathom it today.

That is why I hope that one day we will get to the point where this Commission will no longer be necessary too, when we see political pluralism, the rule of law, self-determination and the existence of democratic institutions globally, because we know that that will play a great role in ensuring the stability and the success and the freedom that I believe all mankind deserves.

Mr. LANTOS. Mr. Speaker, I am delighted to yield such time as he may consume to the distinguished gentleman from North Carolina (Mr. PRICE), the Democratic author of this resolution.

(Mr. PRICE of North Carolina asked and was given permission to revise and extend his remarks.)

Mr. PRICE of North Carolina. Mr. Speaker, I rise in support of the Dreier-Price Democracy Assistance Commission resolution. House Resolution 135 will establish a Commission in the House charged with helping parliaments in emerging democracies play a more independent, transparent and representative role.

I am pleased that the gentleman from California (Chairman DREIER) will be taking the lead role on the Commis-

sion, and I look forward to working closely with him to make this Commission a success and to make it a worthy successor to the Frost-Solomon Task Force, which helped build the capacity of new parliaments in Central and Eastern Europe between 1990 and 1996.

The Frost-Solomon Task Force, under the leadership of our former colleagues Martin Frost and the late Jerry Solomon, went in at the ground level with 10 parliaments from former Soviet and Warsaw Pact states, providing them with the kind of basic resources and technological infrastructure required for any legislature to play a meaningful role in an emerging democracy—things like computers and other office equipment and reference materials for parliamentary libraries—and helping them establish the systems and procedures necessary to create an efficient and well-functioning legislature.

A bipartisan group of House Members was actively involved, as were key House and Library of Congress staff who offered extensive consultation.

I had the opportunity to participate in the activities of that task force, and to witness firsthand the positive impact that it had, not only on the maturation of parliaments receiving assistance, but also in engendering a positive image of the United States, and of the U.S. House of Representatives, abroad. It was one of the most worthwhile and rewarding experiences I have had as a Member of this body.

The spread of democracy is continuing, and the U.S. Agency for International Development and its partners in the nonprofit world have been active in assisting new parliaments all around the world. Many other developed democracies have also gotten into the act of providing assistance to parliaments in emerging democracies.

But there is still an important role for the U.S. House to play. In fact, there is a role that I would argue the House is uniquely positioned to play. After all, the U.S. House is the oldest directly representative democratic body in existence in the world, one of two Chambers in the oldest democratic federal legislature in existence. We have been doing something that the world admires for a very long time. We should pass along the benefits of our experience to our colleagues in emerging democracies abroad, always in the spirit of realizing that, for all of us, the fullness of democracy is still a work in progress.

Our knowledge and experience as Members and support staff of this great institution are something we can share directly with our counterparts in emerging democracies, helping build their capacity to better perform the essential role that legislatures must play in democratic government, through oversight of governmental expenditures and military operations, constituent services, committee operations, information services and research.

Mr. Speaker, today is the culmination of 2 years of hard work, starting in early 2003 when I first began talking with Representative Doug Bereuter about resuming the work of the Frost-Solomon Task Force. We spent a lot of time talking with USAID, with Frost-Solomon Task Force veterans and with other stakeholders, trying to figure out the best way to move forward, how to ensure that the Commission's work did not duplicate other assistance efforts and in fact complemented them with the unique contribution that House Members could make.

We introduced the first version of this resolution, H. Res. 543, a little over a year ago, and a second improved version, H. Res. 642, last summer. Both resolutions were approved by the House Committee on International Relations, but there were still some refinements needed to get the consensus needed to move the resolution to the floor. We have now been able to make those refinements, thanks to the support and feedback we received from Scott Palmer and other staff members of the Office of the Speaker.

I want to thank the Speaker and the minority leader for lending their support to this enterprise, along with the gentleman from Illinois (Chairman HYDE) and the ranking minority member, the gentleman from California (Mr. LANTOS) of the Committee on International Relations.

John Lis, a staff member of the Committee on International Relations, played a critical role in helping bring us to this point, and will continue to play the lead staff role in the Commission's work.

Francis Miko and Paul Rundquist with CRS, Dan Freeman with the Committee on International Relations, and Kristi Walseth, formerly of Representative Frost's staff, all of these played important support roles for the Frost-Solomon Task Force and have been extremely valuable advisers on the best way for a reconstituted Commission to work. We will continue to call on them for advice and, in some cases, to help carry out the Commission's duties.

I also want to thank successive members of my staff who put many hours and substantial effort into fine-tuning this resolution: Tom Rice, Marian Currinder and Darek Newby.

Over the course of the next several months, the Commission will be appointed by the Speaker and minority leader, and the staff will be evaluating candidate countries from around the world for potential participation in the Democracy Assistance Program. The Commission will eventually narrow that list down to five countries that will be invited to participate in the program beginning in fiscal year 2006.

Assistance will be provided through visits by Commission members, other interested Members of the House, and staff to participating countries, and members and staff of those parliaments will also have opportunities to come to

the United States to become more familiar with both State and Federal legislative institutions and practices.

We are working closely, and will continue to work closely, with USAID, the National Democratic Institute, and the International Republican Institute to coordinate the delivery of equipment and other related material assistance where the Commission identifies particular needs.

Mr. Speaker, this is an exciting endeavor, and one that I am looking forward to helping move forward. I hope that many of my colleagues will agree and find some way to contribute to the work of the Commission, to help support the spread and consolidation of democracy around the world.

□ 1600

The passage of H. Res. 135 is the essential first step, and I urge its adoption.

Mr. BARRETT of South Carolina. Mr. Speaker, I yield 3 minutes to the gentleman from Michigan (Mr. McCOTTER), a member of the Committee on International Relations.

Mr. McCOTTER. Mr. Speaker, I rise in support of House Resolution 135, for within its wisdom rests the realization a nation's democracy is never more imperiled than in its infancy. This realization and the extension of protections to emerging democracies are vital to our ensuring these newborn nations' first breaths of freedom burgeon into the full fruit of liberty.

Mr. Speaker, especially as we watch the ominous portents emanating from Russia's experiment in representative governments, we must ever remember the inception of a democracy is not an end. It is a beginning. And let us ever stand ready to assist those of our fellow human beings who are fitfully and finally breathing free.

I urge the adoption of this resolution.

Mr. LANTOS. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. BARRETT of South Carolina. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. MURPHY). The question is on the motion offered by the gentleman from South Carolina (Mr. BARRETT) that the House suspend the rules and agree to the resolution, H. Res. 135.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds of those present have voted in the affirmative.

Mr. LANTOS. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this motion will be postponed.

#### URGING ADDITION OF HEZBOLLAH TO EUROPEAN UNION'S TERRORIST ORGANIZATION LIST

Mr. BARRETT of South Carolina. Mr. Speaker, I move to suspend the rules and agree to the resolution (H. Res. 101) urging the European Union to add Hezbollah to the European Union's wide-ranging list of terrorist organizations, as amended.

The Clerk read as follows:

##### H. RES. 101

Whereas Hezbollah is a Lebanon-based radical organization with terrorist cells based in Europe, Africa, North America, South America, Asia, and elsewhere, receiving financial, training, weapons, and political and organizational aid from Iran and Syria;

Whereas Hezbollah has led a 23-year global campaign of terror targeting American, German, French, British, Italian, Israeli, Kuwaiti, Saudi Arabian, Argentinean, Thai, Singaporean, and Russian civilians, among others;

Whereas former Director of Central Intelligence George Tenet called Hezbollah "an organization with the capability and worldwide presence [equal to] al Qaeda, equal if not far more [of a] capable organization . . . [t]hey're a notch above in many respects . . . which puts them in a state sponsored category with a potential for lethality that's quite great";

Whereas Hezbollah has been suspected of numerous terrorist acts against Americans, including the suicide truck bombing of the United States Embassy and Marine Barracks in Beirut in October 1983 and the Embassy annex in Beirut in September 1984;

Whereas the French unit of the Multinational Force in Beirut was also targeted in the October 1983 attack, in which 241 United States Marines and 58 French paratroopers were killed;

Whereas Hezbollah has attacked Israeli and Jewish targets in South America in the mid-1990s, including the Israeli Embassy in Buenos Aires, Argentina, in March 1992 and the AMIA Jewish Cultural Center in Buenos Aires in July 1994;

Whereas Hezbollah has claimed responsibility for kidnappings of United States and Israeli civilians and French, British, German, and Russian diplomats, among others;

Whereas even after Israel's compliance with United Nations Security Council Resolution 425 (1978) by withdrawing from Lebanon, Hezbollah has continued to carry out attacks against Israel and its citizens;

Whereas Hezbollah has expanded its operations in the West Bank and Gaza Strip, providing training, financing and weapons to Palestinian terrorist organizations on the European Union terrorist list, including the Al Aqsa Martyrs Brigade, Hamas, the Palestinian Islamic Jihad, and the Popular Front for the Liberation of Palestine;

Whereas in 2004 Hezbollah instigated, financed, or played a role in implementing a significant number of Palestinian terrorist attacks against Israeli targets;

Whereas the European Union agreed by consensus to classify Hamas as a terrorist organization for purposes of prohibiting funding from the European Union to Hamas;

Whereas the Syria Accountability and Lebanese Sovereignty Restoration Act of 2003 (Public Law 108-175) urges the Government of Lebanon to assert the sovereignty of the Lebanese state over all of its territory and to evict all terrorist and foreign forces from southern Lebanon, including Hezbollah and the Iranian Revolutionary Guards;

Whereas, although the European Union has included Imad Fayiz Mughniyah, a key oper-

ations and intelligence officer of Hezbollah, on its terrorist list, it has not included his organization on the list;

Whereas the United States, Canada, and Australia have all classified Hezbollah as a terrorist organization and the United Kingdom has placed the Hezbollah External Security Organization on its terrorist list;

Whereas leaders of Hezbollah have made statements denouncing any distinction between its "political and military" operations, such as Hezbollah's representative in the Lebanese Parliament, Mohammad Raad, who stated in 2001 that "Hezbollah is a military resistance party, and it is our task to fight the occupation of our land. . . . There is no separation between politics and resistance.";

Whereas in a book recently published by the deputy secretary-general of Hezbollah, Sheikh Naim Qassem, entitled "Hezbollah -- the Approach, the Experience, the Future", Qassem writes "Hezbollah is a jihad organization whose aim, first and foremost, is jihad against the Zionist enemy, while the political, pure and sensible effort can serve as a prop and a means of support for jihad";

Whereas United Nations Security Council resolution 1559 (2004), jointly sponsored by the United States and France, calls upon all remaining foreign forces to withdraw from Lebanon and for the disbanding and disarmament of all Lebanese and non-Lebanese militias;

Whereas in December 2004 the Department of State placed Al-Manar, Hezbollah's satellite television network, on the Terrorist Exclusion List, and in December 2004 the French Council of State banned the broadcasting of Al-Manar in France

Whereas France, Germany, and Great Britain, with the support of the High Representative of the European Union, have created a working group with Iran to discuss regional security concerns, including the influence of terror perpetuated by Hezbollah and other extremist organizations;

Whereas on March 10, 2005, the European Parliament voted overwhelmingly to adopt a resolution that stated "Parliament considers that clear evidence exists of terrorist activities on the part of Hezbollah and that the [EU] Council should take all necessary steps to curtail them."; and

Whereas cooperation between the United States and the European Union regarding efforts to combat international terrorism is essential to the promotion of global security and peace; Now, therefore, be it

*Resolved*, That the House of Representatives—

(1) urges the European Union to classify Hezbollah as a terrorist organization for purposes of prohibiting funding from the European Union to Hezbollah and recognizing it as a threat to international security;

(2) condemns the continuous terrorist attacks perpetrated by Hezbollah; and

(3) condemns Hezbollah's continuous support of Palestinian terrorist organizations on the European Union terrorist list, such as the Al Aqsa Martyrs Brigade, Hamas, the Palestinian Islamic Jihad, and the Popular Front for the Liberation of Palestine.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from South Carolina (Mr. BARRETT) and the gentleman from California (Mr. LANTOS) each will control 20 minutes.

The Chair recognizes the gentleman from South Carolina (Mr. BARRETT).

##### GENERAL LEAVE

Mr. BARRETT of South Carolina. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and

extend their remarks and include extraneous material on H. Res. 101.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. BARRETT of South Carolina. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H. Res. 101 urges the European Union to add Hezbollah to its terrorist list. I strongly support this measure, which was passed by voice vote during a subcommittee mark-up and by unanimous consent before the full Committee on International Relations.

Hezbollah is a Lebanon-based extremist organization that has a network of cells located throughout the world. Its primary sources of political, financial, and organizational support stem from Iran and Syria. According to the most recent State Department "Patterns of Global Terrorism Report," Hezbollah is dedicated to the elimination of Israel and the establishment of an Islamic theocracy in Lebanon. Hezbollah is also a strong supporter of the Syrian presence in that country, a position clearly at odds with both the desires of the international community and the Lebanese people.

Hezbollah has been known or suspected to have been involved in numerous terrorist attacks against Americans, including the suicide truck bombing of the United States Embassy and the Marine barracks in Beirut in 1983 and the embassy annex in Beirut in 1984. Three members of Hezbollah are on the FBI's list of the 22 most wanted persons for the hijacking of a TWA flight in which an American Navy diver was killed. Elements of the terrorist organization have also been involved in the kidnapping of Americans and other Westerners.

In past years, Hezbollah has increasingly supported groups that have already been designated by the EU as terrorist organizations. It defies logic that the EU would classify these other groups as terrorist organizations and not include Hezbollah, a group that is among the most lethal terrorist organizations in the world.

The manager's amendment includes changes based on comments received on the resolution from the State Department and some changes communicated to me by the gentleman from Florida (Mr. WEXLER), the ranking member on the Subcommittee on Europe of the House Committee on International Relations. The amendment is designed to clarify some of the language contained in H. Res. 101. In addition, the amendment adds a clause recognizing that the European Parliament voted on March 10 on a resolution that stated that "clear evidence exists of terrorist activities on the part of Hezbollah" and that the Council of the EU "should take all the necessary steps to curtail them."

Mr. Speaker, I would like to commend the gentleman from New Jersey

(Mr. SAXTON) for introducing H. Res. 101. This legislation has strong bipartisan support with over 70 co-sponsors. I urge the passage of this important legislation.

Mr. Speaker, I reserve the balance of my time.

Mr. LANTOS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in strong support of this resolution. Mr. Speaker, the resolution before the House condemns the ongoing terrorism perpetrated by Hezbollah and urges the European Union to classify Hezbollah as a terrorist organization.

Last session, after the introduction of House Resolution 285 urging the European Union to classify Hamas as a terrorist organization and thus prohibiting the channeling of funds from the territory from the European Union to Hamas, the Union agreed by consensus to add Hamas to its terrorist list. It is our hope that this resolution about Hezbollah will have similar results. The inclusion of Hezbollah on the European Union's list of terrorist organizations is long overdue.

As we all know, Mr. Speaker, Hezbollah is a Lebanon-based extremist organization with terrorist cells throughout the globe. Its primary sources of political, financial, and organizational support come from Iran and Syria. Not surprisingly, Hezbollah is the only significant Lebanese organization that supports the continued occupation of Lebanon by Syria.

As the master of possibly the most widespread network of terror in the world, Hezbollah has led a 23-year global campaign of terror targeting American, European, and Israeli civilians. In fact, Hezbollah perpetrated its terror on nearly every continent on this planet, including the 1983 bombing of the Marine barracks in Beirut. Parenthetically, Mr. Speaker, several of us visited with these wonderful Marines just weeks before Hezbollah terrorist activity destroyed their lives.

Among the most notorious examples of Hezbollah crimes outside the Middle East are its attacks on the Israeli Embassy in Buenos Aires in March 1992 and the Jewish Cultural Center in Buenos Aires in 1994.

Most recently, both Israeli and Palestinian officials have complained about an alarming increase in Hezbollah support for terrorism in the Palestinian territories. Israeli officials say that about one-fifth of Israeli casualties from terrorism last year were caused by Hezbollah-backed terrorist cells.

Hezbollah even terrorizes the Lebanese Government itself, perpetuating its occupation of southern Lebanon in defiance of the international community's demands that it be disarmed.

Mr. Speaker, given Hezbollah's bloody record, the charges against Hezbollah made by both Israelis and Palestinians and the European Union's frequent protestations of its commitment to Middle East peace, it is very odd, indeed, that the European Union

continues to omit Hezbollah from its list of terrorist organizations. But it is completely stupefying that this omission continues while Hezbollah trains and equips many of the very groups already on the European Union's terrorism list, such as Islamic Jihad, al-Aqsa Martyrs Brigade, and Hamas. The logic of the European Union's decision-making on this matter is at best baffling.

Europeans sometimes point out in their defense that Hezbollah holds seats in the Lebanese Parliament. Let me point out, Mr. Speaker, that Hitler's Nazi Party held seats in a democratically elected German Parliament before the onset of World War II. Furthermore, Hezbollah's limited electoral success does nothing to revive the victims of terrorism. Europeans, of all people, should know that when terrorists succeed at the polls, they do not become moderate. They merely exploit their elected parliamentary positions to serve their terrorist aims.

Other Hezbollah apologists cite the group's domestic social programs within Lebanon as reason that it should not be considered strictly terrorist. But the credibility of those programs in Lebanon is mocked by Hezbollah's merciless disregard for human life in all of its other operations. The Bolshevik Party of the Soviet Union similarly provided social programs. Yet it had a devastating impact on generations of Soviet citizens.

By simply declaring the transparently obvious, that Hezbollah is a terrorist organization, Europe could deprive Hezbollah of access to millions of dollars in European banks and other financial institutions, while making an enormous contribution to Middle Eastern stability and saving hundreds of lives that will otherwise be Hezbollah's future victims. That is why I strongly support this resolution and urge all of my colleagues to join me in that support.

Mr. Speaker, I reserve the balance of my time.

Mr. BARRETT of South Carolina. Mr. Speaker, I yield such time as he may consume to the gentleman from New Jersey (Mr. SAXTON), the author of the legislation.

Mr. SAXTON. Mr. Speaker, I want to thank the gentleman from South Carolina (Mr. BARRETT) for yielding me time. I would also like to thank the chairman and ranking member and other members of the committee that made it possible for this resolution to come to the floor on a strictly bipartisan basis.

I would also just like to say that during the consideration of the previous resolution, it was pointed out by the gentleman from California (Mr. DREIER) and others how encouraging it is to see democracy springing up around the world, particularly in the Middle East. This is a trend which is tremendous for us to see, and certainly it should be the policy of the House of Representatives and our government

generally to do whatever we can to help promote the trend which is so well under way. And of course at the same time it, would be good if we could help remove obstacles that may stand in the way of democracy being successful in places like Lebanon and the trend which is under way perhaps in Egypt and Iraq and Afghanistan and many other places.

So let us be clear on this subject of Hezbollah. Hezbollah is a radical terrorist organization, and this resolution simply asks the European Union to officially list it as such.

□ 1615

Its core beliefs are based on a perverse doctrine of anti-Westernism and anti-Semitism. Hezbollah has led a 23-year campaign targeting American, German, French, British, Italian, Israeli, Kuwaiti and countless other civilians from a variety of other countries.

Whether it is the bombing of the Marine barracks in Beirut in 1983 where 241 Americans were killed, the deadly attacks against Jewish targets in South America during the 1990s or any other atrocious acts of tyranny perpetuated by this organization, there is one thing clear: Hezbollah represents a clear and present danger to the national security of the United States, to the progress of countries that are in the process of democratizing and to many others around the world.

Mr. Speaker, there is no denying the fact some of us in this Chamber disagree from time to time on tactics, on techniques and procedures that are needed to win the war on terror. However, we all agree, beyond a shadow of a doubt, that organizations that openly call for the death of innocent civilians have no constructive role to play.

H. Res. 101 was not introduced for the purpose of angering our allies on the other side of the Atlantic. It is no secret that without the assistance of various European intelligence services and the steadfast support of many of our allies there would be more terrorists at large today and more threats to our national security than there is at this time.

However, it is with these thoughts in mind that I urge our European friends to ponder the following facts:

The main reason that France has led the efforts to block the European Union from placing Hezbollah on the list of terrorist organizations is due to the fact that the French believe that the military and political wings of the organizations are separate and, therefore, must be judged in that way. My question is simple: How can one separate the political and military wings of an organization if members of that organization, of the organization in question, have made statements contrary to that very fact?

For example, Mohammad Raad, a member of the Lebanese Parliament from Hezbollah, stated very plainly, "Hezbollah is a military resistance

party and its task is to fight the occupation of our land. There is no separation between politics and resistance."

In a book recently published by another member of Hezbollah, Sheikh Naim Qassem, Hezbollah's deputy secretary, he states, "Hezbollah is a jihad organization whose aim, first and foremost, is jihad against the Zionist enemy, while the political, pure and sensible effort can serve as a prop and a means of support for jihad."

Mr. Speaker, after hearing these statements stated by members of Hezbollah, how can anyone, European or American, deny the simple fact that the ideological fabric of Hezbollah is based on the ideals of radical Islam and the central purpose of the organization is to kill innocent human beings?

I have been concerned during the last several days about constant references in the media that seem to indicate that at the behest of our European allies, our government in the United States is ready to accept Hezbollah as a legitimate political force in Lebanon.

Despite the disconcerting statements being perpetuated by the media, just yesterday Secretary of State Condoleezza Rice declared in the clearest of terms that the United States still regards Hezbollah as a terrorist organization, and I was encouraged last Thursday when our colleagues in the European Parliament passed a resolution that was mentioned just a few minutes ago by my friend from California that the EU Parliament has passed a resolution urging the European Union leadership and the governments there to list Hezbollah as a terrorist entity. The resolution stated the simple fact that there are "irrefutable proofs of Hezbollah's terrorist actions." It is my sincere hope that the EU leadership will follow the advice of their own parliament.

Mr. Speaker, I urge my colleagues to pass this important piece of legislation and send a message to the European Union that in order to secure a peaceful future for the people of Lebanon, the greater Middle East, and the world, organizations such as Hezbollah must not be tolerated.

Mr. LANTOS. Mr. Speaker, I continue to reserve our time.

Mr. BARRETT of South Carolina. Mr. Speaker, I yield 3 minutes to the gentleman from Michigan (Mr. MCCOTTER), a member of the Committee on International Relations.

Mr. MCCOTTER. Mr. Speaker, I will not reiterate House Resolution 101's litany of why Hezbollah is a terrorist organization, for the resolution's authors and my colleagues before me have given a full and fair accounting of this therein.

I rise then to urge the European Union's acknowledgement of this resolution's list of terrorist particulars on Hezbollah's part, and in doing so, I further urge the European Union's addition of Hezbollah to the EU's terrorist list.

Indeed, since the Coalition's liberation of Iraq from the inhuman rule of

Saddam Hussein, from some EU quarters has come a strident call on the U.S. and its allies to diminish reliance upon force; i.e., hard power, and increase utilization of diplomatic means; i.e., soft power, within our war on terror.

Now, here rests the opportunity for those strident voices in the EU to put their morality where their mouth is, for if despite all the evidence and the consequences of Hezbollah's terrorist activities, the European Union refuses to place Hezbollah on its terrorist list, then we will be left but to conclude some in Europe's insistence upon a sophisticated, soft power diplomacy in pursuit of stability, at the expense of liberty, is in reality no less than a disingenuous, shortsighted exercise in craven accommodation.

The choice is theirs, but this vote is ours, and I urge adoption of the resolution.

Mr. BARRETT of South Carolina. Mr. Speaker, I yield 3 minutes to the gentleman from Connecticut (Mr. SHAYS), chairman of the Subcommittee on National Security, Emerging Threats and International Relations of the Committee on Government Reform.

Mr. SHAYS. Mr. Speaker, I thank the gentleman for yielding me the time, and I thank the gentleman from New Jersey (Mr. SAXTON) and the gentleman from California (Mr. LANTOS) for their involvement in this important legislation.

I think the thing that is most refreshing about President Bush's administration is the effort to have an honest dialogue with our allies about what is happening around the world. And we need to have this honest dialogue.

The bottom line is Hezbollah is a terrorist organization through and through. It may have a political arm, it may have a public relations arm as the gentleman from California (Ranking Member LANTOS) pointed out, but so did the Nazi Party. This is a terrorist organization and to use a phrase that Congressman LANTOS uses quite often, it "boggles the mind" that they would not be included as a terrorist organization within the European Union.

When we look at the resolution, there are 20 whereases, and each one is powerful

Whereas Hezbollah is a Lebanon-based radical organization with terrorist cells based in Europe, Africa, North America, South America, Asia, and elsewhere, receiving financial, training, weapons, and political and organizational aid from Iran and Syria;

Whereas Hezbollah has led a 23-year global campaign of terror targeting American, German, French, British, Italian, Israeli, Kuwaiti, Saudi Arabian, Argentinean, Thai, Singaporean, and Russian civilians, among other . . .

and it goes on.

I cannot believe frankly that if our colleagues from Europe read this resolution they will not readily agree that they need to take this action. Once again I thank my colleague for yielding me time, and I hope we pass this with a resounding "yes."

Mr. LANTOS. Mr. Speaker, I yield myself such time as I may consume.

In closing, let me just say that the European Union calls into question its own appropriateness in serving on the quartet, attempting to bring some stability and peace to the Middle East. This is such a clearcut case. We are dealing with a global terrorist organization which has cold-bloodedly massacred large numbers of civilians of many nationalities. There is no earthly reason to continue the defiance of common sense by the European Union in failing to put Hezbollah on the terrorist list.

The European Parliament itself a few days ago called on the union to list Hezbollah as a terrorist organization, and at long last it is our hope that they will do so.

Mr. Speaker, I yield back the balance of my time.

Mr. BARRETT of South Carolina. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. MURPHY). The question is on the motion offered by the gentleman from South Carolina (Mr. BARRETT) that the House suspend the rules and agree to the resolution, H. Res. 101, as amended.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds of those present have voted in the affirmative.

Mr. LANTOS. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this motion will be postponed.

#### TWO-YEAR EXTENSION OF NAZI WAR CRIMES AND JAPANESE IMPERIAL GOVERNMENT RECORDS INTERAGENCY WORKING GROUP

Mr. SHAYS. Mr. Speaker, I move to suspend the rules and pass the Senate bill (S. 384) to extend the existence of the Nazi War Crimes and Japanese Imperial Government Records Interagency Working Group for 2 years.

The Clerk read as follows:

S. 384

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

#### SECTION 1. TWO-YEAR EXTENSION OF WORKING GROUP.

Section 802(b)(1) of the Japanese Imperial Government Disclosure Act of 2000 (Public Law 106-567; 114 Stat. 2865) is amended by striking "4 years" and inserting "6 years".

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Connecticut (Mr. SHAYS) and the gentlewoman from New York (Mrs. MALONEY) each will control 20 minutes.

The Chair recognizes the gentleman from Connecticut (Mr. SHAYS).

GENERAL LEAVE

Mr. SHAYS. Mr. Speaker, I ask unanimous consent that all Members may

have 5 legislative days within which to revise and extend their remarks and include extraneous material on S. 384, the Senate bill under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

Mr. SHAYS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, as a member of the Committee on Government Reform, I am pleased to call for the consideration of S. 384, a bill that extends the existence of the Nazi War Crimes and Japanese Imperial Government Records Interagency Working Group. I commend the esteemed Senator from Ohio, MIKE DEWINE, and my distinguished colleague in this body, the gentlewoman from New York (Mrs. MALONEY), for working on this bill. I am proud to be a cosponsor of it.

Senate 384 extends by 2 years this worthy working group that was originally created by Congress through Public Law 105-246 in 1998. The group is made up of government agency representatives who are directed to oversee the declassification of U.S. Government records that contain information about Nazi war crimes.

Such information includes trafficking of assets seized by the Nazis and post-war communications between U.S. Government and former Nazi officials, unless declassification would unduly violate personal privacy or harm national security or foreign policy interests. The law also allowed for expedited processing of Freedom of Information, FOIA, requests made by survivors of the Holocaust.

On December 6, 2000, as part of the Intelligence Authorization Act for 2001, Congress changed the group's name to the Nazi War Crimes and Japanese Imperial Government Records Interagency Working Group. This action expanded the mission of the group to include the declassification of U.S. Government records related to World War II era war crimes committed by the Japanese Imperial government.

The project has produced some valuable accomplishments. It has allowed the release of over 8 million previously classified documents and generated a great deal of historical research.

However, the CIA has resisted disclosing certain files, preventing the completion of the work within the 3-year time frame anticipated by the original law. Recently, however, the CIA has agreed to modify its position on a number of key issues and work with the National Archives and other groups to declassify remaining relevant information. Accordingly, S. 384 would extend the law for another 2 years, to give all parties sufficient time to complete the project.

Madam Speaker, all in all, the Nazi War Crimes and Japanese Imperial Government Records Interagency Working Group is a valuable effort that informs the American people of the actions of their government while bal-

ancing the protection of legitimate national secrets.

Again, I thank the gentlewoman from New York and the Senator from Ohio for seeing this legislation through both Chambers of Congress. I urge strong support for this measure.

Madam Speaker, I reserve the balance of my time.

□ 1630

Mrs. MALONEY. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, I thank the gentleman from Connecticut (Mr. SHAYS) for his leadership on this issue and so many others. I rise in strong support of S. 384 that would extend the Nazi War Crimes and Japanese Imperial Government Records Interagency Working Group for 2 years.

The 1989 law opened up the government files of Nazi and Japanese war activities. Many, many agencies cooperated and declassified an enormous amount of documents, including the CIA, FBI, NSA, DOD, the Army, and many others. The law resulted in the largest specifically focused declassification effort in American history. It provided important information for historians to better understand World War II and the Cold War. Already, over 100 million documents have been screened and over 8 million have been declassified.

The extension will allow time for the remaining documents to be released and studied. The remaining documents are mainly in the CIA. We thank them for their agreed cooperation as we go forward.

Madam Speaker, I want to make clear that the original legislation required the disclosure of Nazi war criminal records specifically related to individuals. It should in no way be interpreted as inhibiting the release of other more general records such as policy directives or memoranda. If such records are uncovered during the search of files, the bill requires and necessitates that they become public along with the rest of the documents. The intent of the original legislation was to bring to the light information which may be in the files and archives of the U.S. Government. This may well include information from the postwar period showing a relationship between those agencies and Nazi war criminals.

It was not the intent that the exemptions included in the underlying bill be used to shield this type of information from disclosure. We included the exemptions that currently exist in executive order. They should not be revoked simply to protect any agency from embarrassment.

It is important that this move forward, and it is important that we pass this extension today as the terms of the Interagency Working Group were set to expire at the end of March 2005. So we are at a critical juncture which this bill addresses.

Madam Speaker, I first introduced the Nazi War Crimes Disclosure Act in

1994. It was in response to an article that I read in the New York Times written by Mr. Abe Rosenthal. In the article he described the work of a professor from the University of South Carolina who was trying to obtain information on Kurt Waldheim, a former director of the United Nations. Yet our government would not allow him to have access to any information.

The KGB had opened up their files; many governments had opened up their files. It was many years after the war, and I could see no reason why this information should be kept from the public.

I introduced the bill, along with former Congressman Steve Horn. At first there was great opposition to the bill from the intelligence community. In 1996, we passed a sense of Congress in support of the bill because nothing passes without the support of the intelligence community. The bill drew the attention of former Congressman Porter Goss, Senator DEWINE, and then-Senator Moynihan who worked with me and others to finally pass the bill 7 years ago in 1998. It was signed into law by President Clinton in an Oval Office ceremony that year.

In December of 2000, we extended the law for an additional 2 years and expanded it to cover the Japanese crime documents. Then in January of 2004, we extended the term of the Interagency Working Group another year so it would be able to fulfill its charter and produce a comprehensive, historically accurate report on the United States' knowledge of Nazi and Japanese war criminals and their activities.

Now because of the bill, the legislation, millions of pages of U.S. intelligence documents are organized and available to the public through the National Archives. As a result of this law, we are beginning to understand the relationship of the U.S. Government to Nazi war criminals in the aftermath of World War II and during the Cold War.

While it is a difficult subject to address, finding out about the terrible and ugly aspects of the wartime era will help to shed light and bring us closer to the truth. "U.S. Intelligence and the Nazis" is one book that has already resulted from the documents. I know there will be many more in the future. In this book, they talk about the role of intelligence agencies, especially the U.S. of war criminals by U.S. intelligence organizations after the war.

We now understand because of these documents that German spymaster General Reinhard Gehlen, who served as Hitler's most senior military intelligence officer on the Eastern Front, was an officer who became a key U.S. intelligence resource after the war. During the postwar period, he ran an extensive network of spies, some with Nazi collaborationist backgrounds, that made them vulnerable to the Soviet Union during the height of the Cold War.

As we can see, the documents provided thus far to the IWG have revealed

that there was a closer relationship between the U.S. Government and Nazi war criminals than previously known. It is an important fact that is crucial to the understanding of history. This significant knowledge would not have been possible without the cooperation of so many in this body, and so many agencies. But particularly I cite the dedicated work of the Interagency Working Group, former Congresswoman Elizabeth Holtzman, Tom Baer and Richard Ben-Veniste. They served with great dedication, without compensation and are continuing to serve and have been appointed by two Presidents.

Many people worked to bring this bill to the floor, and I want to especially express my gratitude to the gentleman from Virginia (Chairman TOM DAVIS), who went beyond the call of duty to ensure there was a markup so we could get this to the floor to extend it before the time expired. I appreciate the work of his staff, Mason Aligner and Rob Borden; and I also want to thank the ranking member, the gentleman from California (Mr. WAXMAN), and his staff, Michelle Ash and David McMillan, who are always helpful and supportive, and this time was no exception.

I also express my appreciation to the gentleman from Texas (Mr. DELAY), the majority leader, and his staff, Brad Loper. They were extremely helpful in making sure we are debating this bill on the floor today and that the Interagency Task Force will be able to continue its work.

I would also like to thank the gentleman from Wisconsin (Mr. SENSENBRENNER) and Robert Tracci on his staff who have been extremely accommodating so we could move this forward. But I would especially like to thank my colleague in the other body, Senator DEWINE, and his staff, Peter Levitas, and his former staff member, Louis DePartt, for their tireless and selfless work and for the energy they put forth to ensure that we know as much as we can about our government's past involvement with Nazi war criminals.

I would also like to recognize Ben Chevat and Orly Isaacson of my own staff who have shown tremendous persistence and dedication.

I also thank former Senator Moynihan. Today, I was supposed to be in Syracuse for a dedication to a research facility that bears his name to continue his work. He worked with me on this bill. Part of his devotion was protecting privacy and combating unnecessary confidentiality of government papers. I really feel being here today helps extend and empower the work that he so brilliantly did in this body.

Our work today is extremely important; but it is far surpassed by the persistence that Holocaust survivors, historians, and researchers have shown for their search for the truth. I thank everyone who has worked to make this happen today.

Madam Speaker, I yield back the balance of my time.

Mr. SHAYS. Madam Speaker, I yield myself the balance of my time.

Madam Speaker, again I thank the gentlewoman from New York (Mrs. MALONEY) for her extensive work on this legislation over a long period of time. I reinforce the gentlewoman's thank you and say that the gentleman from Virginia (Chairman TOM DAVIS) wants to be on the record thanking the gentleman from Wisconsin (Chairman SENSENBRENNER) and the gentleman from Michigan (Chairman HOEKSTRA) for waiving jurisdiction on S. 384 so we could take it up more quickly, and that was obviously very important.

I just want to say that I know the gentlewoman is going to ask for a roll call vote, and I join in that effort because I think Members want an opportunity to vote on this bill. I urge all Members to support the passage of S. 384.

Mr. TOM DAVIS of Virginia. Mr. Speaker, I include the following exchange of letters between Chairman F. JAMES SENSENBRENNER, Jr., of the Committee on the Judiciary, Chairman PETER HOEKSTRA of the Permanent Select Committee on Intelligence and myself.

COMMITTEE ON THE JUDICIARY,  
HOUSE OF REPRESENTATIVES,  
Washington, DC, March 14, 2005.

Hon. TOM DAVIS  
Chairman, Committee on Government Reform,  
House of Representatives, Washington, DC.

DEAR CHAIRMAN DAVIS: In recognition of the desire to expedite floor consideration of S. 384, "To extend the existence of the Nazi War Crimes and Japanese Imperial Government Records Interagency Working Group for two years," the Committee on the Judiciary hereby waives consideration of provisions of the legislation within the Committee's Rule X subject matter jurisdiction. Specifically, S. 384 extends the operation of the Nazi War Criminal Interagency Working Group established by Public Law 105-267. Section 3(b) of Public Law 105-267 created certain exceptions for the disclosure of records obtained by the Working Group. Section 3(b)(2)(A) excepts the disclosure of information that would "constitute a clearly unwarranted invasion of personal privacy." This matter falls within the Committee on the Judiciary's subject matter jurisdiction under rule X(1)(1)(5) ("Civil liberties"). Section 3(b)(2)(C) also excepts the disclosure of information that would "reveal information that would assist in the development or use of weapons of mass destruction." This matter falls within the Committee on the Judiciary's subject matter jurisdiction under rule X(1)(1)(19) ("Subversive activities affecting the internal security of the United States"). In addition, section (3)(c) creates an exception to the National Security Act of 1947. This section implicates the Committee on the Judiciary's jurisdiction under rule X(1)(1)(19) ("Subversive activities affecting the internal security of the United States"). Finally, Section 3(3) pertains to the disclosure of records "related to or supporting any active or inactive investigation, inquiry, or prosecution of the Office of Special Investigations of the Department of Justice." This matter falls with the Committee on the Judiciary's subject matter jurisdiction under rule X(1)(1) ("The judiciary and judicial proceedings, civil and criminal.")

S. 384 also extends the operation of the "Japanese Imperial Government Disclosure Act" (Public Law 106-567), which expanded the scope of the Working Group to encompass the examination of crimes committed

by the Japanese government during World War II. Section 803(b)(1) of this legislation excepts the disclosure of information that would "constitute a clearly unwarranted invasion of personal privacy." This matter falls within the Committee on the Judiciary's subject matter jurisdiction under rule X(1)(1)(5) ("Civil liberties"). Section 803(b)(3) also excepts the disclosure of information that would "reveal information that would assist in the development or use of weapons of mass destruction." This matter falls within the Committee on the Judiciary's subject matter jurisdiction under rule X(1)(1)(10) ("Subversive activities affecting the internal security of the United States"). Finally, Section 803(d) pertains to the disclosure of records "related to or supporting any active or inactive investigation, inquiry, or prosecution of the Office of Special Investigations of the Department of Justice." This matter falls with the Committee on the Judiciary's subject matter jurisdiction under rule X(1)(1) ("The judiciary and judicial proceedings, civil and criminal").

The Committee on the Judiciary takes this action with the understanding that the Committee's jurisdiction over these provisions is in no way altered or diminished. I would appreciate the inclusion of this letter and your response to it in the Congressional Record during consideration of S. 384 on the House floor. Thank you for your consideration in this matter.

Sincerely,

F. JAMES SENSENBRENNER, Jr.,  
Chairman.

CONGRESS OF THE UNITED STATES  
Washington, DC, March 14, 2005.

Hon. F. JAMES SENSENBRENNER, Jr.  
Chairman, Committee on the Judiciary, Rayburn House Office Building, Washington, DC.

DEAR MR. CHAIRMAN: Thank you for your recent letter regarding the Judiciary Committee's jurisdictional interest in S. 384, a bill to extend the Nazi War Crimes and Japanese Imperial Government Records Interagency Working Group.

I agree that the Committee on the Judiciary does not waive its jurisdiction over S. 384 or similar bills by waiving further consideration of this bill. I will include a copy of your letter and this response in the Congressional Record during consideration of the legislation on the House floor. Thank you for your cooperation as we work towards the enactment of S. 384.

Sincerely,

TOM DAVIS,  
Chairman.

HOUSE OF REPRESENTATIVES,  
March 11, 2005.

Hon. TOM DAVIS,  
Chairman, Committee on Government Reform, House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: I am writing to confirm our mutual understanding with respect to the consideration of S. 384, a bill to extend the Nazi War Crimes and Japanese Imperial Government Records Interagency Working Group. The House Permanent Select Committee on Intelligence has a jurisdictional interest in S. 384.

In the interests of moving this important legislation forward, I do not intend to ask for sequential referral of this bill. However, I do so only with the understanding that this procedural route should not be construed to prejudice the House Permanent Select Committee on Intelligence's jurisdictional interest over this bill or any similar bill and will not be considered as precedent for consideration of matters of jurisdictional interest to the Committee in the future.

Finally, I would ask that you include a copy of our exchange of letters on this mat-

ter in the Congressional Record during the House debate on S. 384. Thank you for your consideration.

Sincerely,

PETER HOEKSTRA,  
Chairman.

CONGRESS OF THE UNITED STATES,  
Washington, DC, March 14, 2005.

Hon. PETER HOEKSTRA,  
Chairman, House Permanent Select Committee on Intelligence, Capitol Building, Washington, DC.

DEAR MR. CHAIRMAN: Thank you for your recent letter regarding the House Permanent Select Committee on Intelligence's jurisdictional interest in S. 384, a bill to extend the Nazi War Crimes and Japanese Imperial Government Records Interagency Working Group.

I agree that the House Permanent Select Committee on Intelligence does not waive its jurisdiction over S. 384 or similar bills by waiving further consideration of this bill. I will include a copy of your letter and this response in the CONGRESSIONAL RECORD during consideration of the legislation on the House floor. Thank you for your cooperation as we work towards the enactment of S. 384.

Sincerely,

TOM DAVIS,  
Chairman.

Mr. SHAYS. Madam Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mrs. BIGGERT). The question is on the motion offered by the gentleman from Connecticut (Mr. SHAYS) that the House suspend the rules and pass the Senate bill, S. 384.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds of those present have voted in the affirmative.

Mrs. MALONEY. Madam Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this motion will be postponed.

PERMISSION FOR COMMITTEE ON GOVERNMENT REFORM TO HAVE UNTIL MIDNIGHT, MARCH 31, 2005, TO FILE REPORT ON OVERSIGHT PLANS

Mr. SHAYS. Madam Speaker, I ask unanimous consent that the Committee on Government Reform have until midnight, March 31, 2005, to file a Report on Oversight Plans under clause 2 of rule X.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

RECESS

The SPEAKER pro tempore. Pursuant to clause 12(a) of rule I, the Chair declares the House in recess until approximately 6:30 p.m. today.

Accordingly (at 4 o'clock and 42 minutes p.m.), the House stood in recess until approximately 6:30 p.m. today.

□ 1830

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Mr. BOOZMAN) at 6 o'clock and 30 minutes p.m.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, proceedings will resume on motions to suspend the rules previously postponed.

Votes will be taken in the following order:

- H. Res. 135, by the yeas and nays;
- H. Res. 101, by the yeas and nays; and
- S. 384, by the yeas and nays.

The first and third electronic votes will be conducted as 15-minute votes. The second vote in this series will be a 5-minute vote.

HOUSE DEMOCRACY ASSISTANCE COMMISSION RESOLUTION

The SPEAKER pro tempore. The pending business is the question of suspending the rules and agreeing to the resolution, H. Res. 135.

The Clerk read the title of the resolution.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from South Carolina (Mr. BARRETT) that the House suspend the rules and agree to the resolution, H. Res. 135, on which the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 386, nays 2, not voting 46, as follows:

[Roll No. 66]  
YEAS—386

Abercrombie	Brown (OH)	Davis (CA)
Ackerman	Brown (SC)	Davis (IL)
Aderholt	Burgess	Davis (KY)
Akin	Burton (IN)	Davis (TN)
Allen	Butterfield	Davis, Jo Ann
Andrews	Buyer	Davis, Tom
Baca	Calvert	Deal (GA)
Bachus	Camp	DeFazio
Baker	Cannon	DeGette
Baldwin	Cantor	Delahunt
Barrett (SC)	Capito	DeLauro
Barrow	Capps	DeLay
Bartlett (MD)	Cardin	Dent
Barton (TX)	Cardoza	Diaz-Balart, L.
Bass	Carnahan	Diaz-Balart, M.
Bean	Carson	Dicks
Beauprez	Carter	Dingell
Berkley	Case	Doggett
Berman	Castle	Doolittle
Berry	Chabot	Doyle
Biggert	Chandler	Drake
Bilirakis	Choccola	Dreier
Bishop (GA)	Clay	Duncan
Bishop (NY)	Cleaver	Edwards
Bishop (UT)	Clyburn	Ehlers
Blumenauer	Coble	Emanuel
Blunt	Cole (OK)	Engel
Boehlert	Conaway	English (PA)
Boehner	Conyers	Eshoo
Bonilla	Cooper	Etheridge
Bonner	Costa	Everett
Bono	Costello	Farr
Boozman	Cox	Fattah
Boren	Crenshaw	Ferguson
Boucher	Crowley	Finer
Boyd	Cubin	Fitzpatrick (PA)
Bradley (NH)	Cuellar	Foley
Brady (PA)	Cummings	Forbes
Brady (TX)	Cunningham	Ford

Fortenberry Linder  
 Fossella Lipinski  
 Foxx LoBiondo  
 Frank (MA) Lofgren, Zoe  
 Franks (AZ) Lowey  
 Frelinghuysen Lucas  
 Gallegly Lungren, Daniel  
 Garrett (NJ) E.  
 Gerlach Lynch  
 Gibbons Mack  
 Gilchrest Maloney  
 Gillmor Manzullo  
 Gingrey Marchant  
 Gohmert Markey  
 Gonzalez Marshall  
 Goode Matheson  
 Goodlatte Matsui  
 Gordon McCaul (TX)  
 Granger McCollum (MN)  
 Graves McCotter  
 Green (WI) McCrery  
 Green, Al McDermott  
 Green, Gene McGovern  
 Grijalva McHenry  
 Gutknecht McHugh  
 Hall McIntyre  
 Harman McKeon  
 Harris McMorris  
 Hart McNulty  
 Hastings (FL) Meehan  
 Hastings (WA) Meek (FL)  
 Hayes Meeks (NY)  
 Hayworth Melancon  
 Hensarling Mica  
 Herger Michaud  
 Hereth Millender-  
 Higgins McDonald  
 Hinchey Miller (FL)  
 Hobson Miller (MI)  
 Hoekstra Miller (NC)  
 Holden Miller, Gary  
 Holt Mollohan  
 Honda Moore (KS)  
 Hooley Moore (WI)  
 Hostettler Moran (KS)  
 Hoyer Moran (VA)  
 Hulshof Murphy  
 Hyde Murtha  
 Inglis (SC) Musgrave  
 Inslee Myrick  
 Israel Nadler  
 Issa Napolitano  
 Istook Neal (MA)  
 Jackson (IL) Neugebauer  
 Jackson-Lee Ney  
 (TX) Northup  
 Jefferson Norwood  
 Jenkins Nunes  
 Jindal Oberstar  
 Johnson (CT) Obey  
 Johnson (IL) Olver  
 Johnson, E. B. Ortiz  
 Johnson, Sam Osborne  
 Jones (NC) Otter  
 Kanjorski Owens  
 Kaptur Oxley  
 Keller Pastor  
 Kennedy (MN) Pearce  
 Kennedy (RI) Petri  
 Kildee Pickering  
 Kind Pitts  
 King (IA) Platts  
 King (NY) Poe  
 Kingston Pombo  
 Kirk Pomeroy  
 Kline Porter  
 Kolbe Portman  
 Kucinich Price (GA)  
 Kuhl (NY) Price (NC)  
 Langevin Putnam  
 Lantos Radanovich  
 Larsen (WA) Rahall  
 Larson (CT) Ramstad  
 Latham Regula  
 LaTourette Rehberg  
 Leach Reichert  
 Lee Renzi  
 Levin Reyes  
 Lewis (CA) Reynolds  
 Lewis (GA) Rogers (AL)  
 Lewis (KY) Rogers (KY)

NAYS—2

McKinney

NOT VOTING—46

Alexander Blackburn  
 Baird Boswell  
 Becerra Boustany

Rogers (MI) Jones (OH)  
 Rohrabacher Kelly  
 Ros-Lehtinen Kilpatrick (MI)  
 Ross Davis (AL)  
 Rothman Davis (FL)  
 Roybal-Allard Emerson  
 Royce Evans  
 Ruppertsberger Feeney  
 Rush Flake  
 Ryan (OH) Gutierrez  
 Ryan (WI) Hefley  
 Ryun (KS) Hinojosa  
 Sabo Hunter  
 Salazar  
 Sanchez, Loretta  
 Sanders  
 Saxton  
 Schakowsky  
 Schiff  
 Schwartz (PA)  
 Scott (GA)  
 Scott (VA)  
 Sensenbrenner  
 Serrano  
 Shadegg  
 Shaw  
 Shays  
 Sherman  
 Sherwood  
 Shimkus  
 Shuster  
 Simmons  
 Skelton  
 Slaughter  
 Smith (NJ)  
 Smith (TX)  
 Smith (WA)  
 Snyder  
 Sodrel  
 Solis  
 Souder  
 Spratt  
 Stark  
 Stearns  
 Strickland  
 Stupak  
 Sullivan  
 Sweeney  
 Tancredo  
 Tanner  
 Tauscher  
 Taylor (MS)  
 Terry  
 Thomas  
 Thompson (CA)  
 Thompson (MS)  
 Thornberry  
 Tiahrt  
 Tiberi  
 Tierney  
 Towns  
 Turner  
 Udall (CO)  
 Udall (NM)  
 Upton  
 Van Hollen  
 Velázquez  
 Andrews  
 Baca  
 Bachus  
 Baker  
 Baldwin  
 Barrett (SC)  
 Barrow  
 Bartlett (MD)  
 Barton (TX)  
 Bass  
 Bean  
 Beauprez  
 Berkley  
 Berman  
 Berry  
 Biggert  
 Bilirakis  
 Bishop (GA)  
 Bishop (NY)  
 Bishop (UT)  
 Blumenauer  
 Blunt  
 Boehlert  
 Boehner  
 Bonilla  
 Bonner  
 Bono  
 Boozman  
 Boren  
 Boucher  
 Boyd  
 Bradley (NH)  
 Brady (PA)

Capuano  
 Cramer  
 Clamberson  
 Davis (AL)  
 Davis (FL)  
 Emerson  
 Evans  
 Feeney  
 Flake  
 Gutierrez  
 Hefley  
 Hinojosa  
 Hunter

Jones (OH)  
 Kelly  
 Kilpatrick (MI)  
 Knollenberg  
 LaHood  
 McCarthy  
 Menendez  
 Miller, George  
 Nussle  
 Pallone  
 Pascrell  
 Payne  
 Pelosi

Pence  
 Peterson (MN)  
 Peterson (PA)  
 Pryce (OH)  
 Rangel  
 Sánchez, Linda  
 T.  
 Schwarz (MI)  
 Sessions  
 Simpson  
 Taylor (NC)  
 Walsh  
 Wexler

Foley  
 Forbes  
 Ford  
 Fortenberry  
 Fossella  
 Foxx  
 Frank (MA)  
 Frelinghuysen  
 Gallegly  
 Garrett (NJ)  
 Gerlach  
 Gibbons  
 Gilchrest  
 Gillmor  
 Gingrey  
 Gohmert  
 Gonzalez  
 Goode  
 Goodlatte  
 Gordon  
 Granger  
 Graves  
 Green (WI)  
 Green, Al  
 Green, Gene  
 Grijalva  
 Gutknecht  
 Hall  
 Harman  
 Harris  
 Hart  
 Hastings (FL)  
 Hastings (WA)  
 Hayes  
 Hayworth  
 Hensarling  
 Herger  
 Hereth  
 Higgins  
 Hobson  
 Hoekstra  
 Holden  
 Holt  
 Honda  
 Hooley  
 Hostettler  
 Hoyer  
 Hulshof  
 Hyde  
 Inglis (SC)  
 Inslee  
 Israel  
 Issa  
 Istook  
 Jackson (IL)  
 Jackson-Lee  
 (TX)  
 Jefferson  
 Jenkins  
 Jindal  
 Johnson (CT)  
 Johnson (IL)  
 Johnson, E. B.  
 Johnson, Sam  
 Jones (NC)  
 Kanjorski  
 Kaptur  
 Keller  
 Kennedy (MN)  
 Kennedy (RI)  
 Kildee  
 Kind  
 King (IA)  
 King (NY)  
 Kingston  
 Kirk  
 Kline  
 Kolbe  
 Kucinich  
 Kuhl (NY)  
 Langevin  
 Lantos  
 Larsen (WA)  
 Larson (CT)  
 Latham  
 LaTourette  
 Leach  
 Lee  
 Levin  
 Lewis (CA)  
 Lewis (GA)  
 Lewis (KY)

Lewis (GA)  
 Lewis (KY)  
 Linder  
 Lipinski  
 LoBiondo  
 Lofgren, Zoe  
 Lowey  
 Lucas  
 Lungren, Daniel  
 E.  
 Lynch  
 Mack  
 Maloney  
 Manzullo  
 Marchant  
 Markey  
 Marshall  
 Matheson  
 Matsui  
 McCaul (TX)  
 McCollum (MN)  
 McCotter  
 McCrery  
 McGovern  
 McHenry  
 McHugh  
 McIntyre  
 McKeon  
 McMorris  
 McNulty  
 Meehan  
 Meek (FL)  
 Meeks (NY)  
 Melancon  
 Mica  
 Michaud  
 Millender-  
 McDonald  
 Miller (FL)  
 Miller (MI)  
 Miller (NC)  
 Miller, Gary  
 Mollohan  
 Moore (KS)  
 Moore (WI)  
 Moran (KS)  
 Moran (VA)  
 Murphy  
 Murtha  
 Musgrave  
 Myrick  
 Nadler  
 Napolitano  
 Neal (MA)  
 Neugebauer  
 Ney  
 Northup  
 Norwood  
 Nunes  
 Oberstar  
 Obey  
 Olver  
 Ortiz  
 Osborne  
 Otter  
 Owens  
 Oxley  
 Pastor  
 Pearce  
 Pelosi  
 Petri  
 Pickering  
 Pitts  
 Platts  
 Poe  
 Pombo  
 Pomeroy  
 Porter  
 Portman  
 Price (GA)  
 Price (NC)  
 Putnam  
 Radanovich  
 Ramstad  
 Regula  
 Rehberg  
 Reichert  
 Renzi  
 Reyes  
 Reynolds

NAYS—3

Paul

ANSWERED "PRESENT"—5

Hinchey  
 McDermott

□ 1857  
 Mr. SALAZAR changed his vote from "nay" to "yea."

So (two-thirds having voted in favor thereof) the rules were suspended and the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

URGING ADDITION OF HEZBOLLAH TO EUROPEAN UNION'S TERRORIST ORGANIZATION LIST

The SPEAKER pro tempore (Mr. BOOZMAN). The pending business is the question of suspending the rules and agreeing to the resolution, H. Res. 101, as amended.

The Clerk read the title of the resolution.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from South Carolina (Mr. BARRETT) that the House suspend the rules and agree to the resolution, H. Res. 101, as amended, on which the yeas and nays are ordered.

This will be a 5-minute vote.  
 The vote was taken by electronic device, and there were—yeas 380, nays 3, answered "present" 5, not voting 46, as follows:

[Roll No. 67]  
 YEAS—380

Abercrombie  
 Ackerman  
 Aderholt  
 Akin  
 Allen  
 Andrews  
 Baca  
 Bachus  
 Baker  
 Baldwin  
 Barrett (SC)  
 Barrow  
 Bartlett (MD)  
 Barton (TX)  
 Bass  
 Bean  
 Beauprez  
 Berkley  
 Berman  
 Berry  
 Biggert  
 Bilirakis  
 Bishop (GA)  
 Bishop (NY)  
 Bishop (UT)  
 Blumenauer  
 Blunt  
 Boehlert  
 Boehner  
 Bonilla  
 Bonner  
 Bono  
 Boozman  
 Boren  
 Boucher  
 Boyd  
 Bradley (NH)  
 Brady (PA)

Brady (TX)  
 Brown (OH)  
 Brown (SC)  
 Burgess  
 Burton (IN)  
 Butterfield  
 Buyer  
 Calvert  
 Camp  
 Cannon  
 Cantor  
 Capito  
 Capps  
 Cardin  
 Cardoza  
 Carnahan  
 Carson  
 Carter  
 Case  
 Castle  
 Chandler  
 Chocola  
 Clay  
 Cleaver  
 Clyburn  
 Coble  
 Cole (OK)  
 Conaway  
 Conyers  
 Cooper  
 Costa  
 Costello  
 Cox  
 Cramer  
 Crenshaw  
 Crowley  
 Cubin  
 Cuellar  
 Cummings  
 Cunningham  
 Davis (CA)  
 Davis (IL)  
 Davis (KY)  
 Davis (TN)  
 Davis, Jo Ann  
 Davis, Tom  
 Deal (GA)  
 DeFazio  
 DeGette  
 Delahunt  
 DeLauro  
 DeLay  
 Dent  
 Diaz-Balart, L.  
 Diaz-Balart, M.  
 Dicks  
 Dingell  
 Doggett  
 Doolittle  
 Doyle  
 Drake  
 Dreier  
 Duncan  
 Edwards  
 Ehlers  
 Emanuel  
 Engel  
 English (PA)  
 Eshoo  
 Etheridge  
 Everett  
 Farr  
 Fattah  
 Ferguson  
 Filner  
 Fitzpatrick (PA)

Paul

ANSWERED "PRESENT"—5

Hinchey  
 McDermott

Rogers (AL)  
 Rogers (KY)  
 Rogers (MI)  
 Rohrabacher  
 Ros-Lehtinen  
 Ross  
 Rothman  
 Roybal-Allard  
 Royce  
 Ruppertsberger  
 Rush  
 Ryan (OH)  
 Ryan (WI)  
 Ryun (KS)  
 Sabo  
 Salazar  
 Sanchez, Loretta  
 Sanders  
 Saxton  
 Schakowsky  
 Schiff  
 Schwartz (PA)  
 Schwarz (MI)  
 Scott (GA)  
 Scott (VA)  
 Sensenbrenner  
 Serrano  
 Shadegg  
 Shaw  
 Shays  
 Sherman  
 Sherwood  
 Shimkus  
 Shuster  
 Simmons  
 Skelton  
 Slaughter  
 Smith (NJ)  
 Smith (TX)  
 Smith (WA)  
 Snyder  
 Sodrel  
 Solis  
 Souder  
 Spratt  
 Stearns  
 Strickland  
 Stupak  
 Sullivan  
 Sweeney  
 Tancredo  
 Tanner  
 Tauscher  
 Taylor (MS)  
 Taylor (NC)  
 Terry  
 Thomas  
 Thompson (CA)  
 Thompson (MS)  
 Thornberry  
 Tiahrt  
 Tiberi  
 Tierney  
 Towns  
 Turner  
 Udall (CO)  
 Udall (NM)  
 Upton  
 Velázquez  
 Visclosky  
 Walden (OR)  
 Wamp  
 Wasserman  
 Schultz  
 Watt  
 Weiner  
 Weldon (FL)  
 Weldon (PA)  
 Weller  
 Westmoreland  
 Whitfield  
 Wicker  
 Wilson (NM)  
 Wilson (SC)  
 Wolf  
 Woolsey  
 Wu  
 Wynn  
 Young (AK)  
 Young (FL)

Watson

Waters

NOT VOTING—46

Alexander	Feeney	Pallone
Baird	Flake	Pascrell
Becerra	Franks (AZ)	Payne
Blackburn	Gutierrez	Pence
Boswell	Hefley	Peterson (MN)
Boustany	Hinojosa	Peterson (PA)
Brown, Corrine	Hunter	Pryce (OH)
Brown-Waite,	Jones (OH)	Rangel
Ginny	Kelly	Sánchez, Linda
Capuano	Kilpatrick (MI)	T.
Chabot	Knollenberg	Sessions
Culberson	LaHood	Simpson
Davis (AL)	McCarthy	Van Hollen
Davis (FL)	Menendez	Walsh
Emerson	Miller, George	Waxman
Evans	Nussle	Wexler

□ 1905

So (two-thirds having voted in favor thereof) the rules were suspended and the resolution, as amended, was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Stated for:

Mr. VAN HOLLEN. Mr. Speaker, on rollcall No. 67, had I been present, I would have voted "yes."

EXTENSION OF NAZI WAR CRIMES AND JAPANESE IMPERIAL GOVERNMENT RECORDS INTER-AGENCY WORKING GROUP

The SPEAKER pro tempore (Mr. BOOZMAN). The pending business is the question of suspending the rules and passing the Senate bill, S. 384.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Connecticut (Mr. SHAYS) that the House suspend the rules and pass the Senate bill, S. 384, on which the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 391, nays 0, not voting 43, as follows:

[Roll No. 68]

YEAS—391

Abercrombie	Boozman	Cole (OK)
Ackerman	Boren	Conaway
Aderholt	Boucher	Conyers
Akin	Boyd	Cooper
Allen	Bradley (NH)	Costa
Andrews	Brady (PA)	Costello
Baca	Brady (TX)	Cox
Bachus	Brown (OH)	Cramer
Baker	Brown (SC)	Crenshaw
Baldwin	Burgess	Crowley
Barrett (SC)	Burton (IN)	Cubin
Barrow	Butterfield	Cuellar
Bartlett (MD)	Calvert	Cummings
Barton (TX)	Camp	Cunningham
Bass	Cannon	Davis (CA)
Bean	Cantor	Davis (IL)
Beauprez	Capito	Davis (KY)
Berkley	Capps	Davis (TN)
Berman	Cardin	Davis, Jo Ann
Berry	Cardoza	Davis, Tom
Biggert	Carmahan	Deal (GA)
Bilirakis	Carson	DeFazio
Bishop (GA)	Carter	DeGette
Bishop (NY)	Case	Delahunt
Bishop (UT)	Castle	DeLauro
Blumenauer	Chabot	DeLay
Blunt	Chandler	Dent
Boehlert	Chocola	Diaz-Balart, L.
Boehner	Clay	Diaz-Balart, M.
Bonilla	Cleaver	Dicks
Bonner	Clyburn	Dingell
Bono	Coble	Doggett

Doolittle	Kucinich	Rahall	Wolf	Wu	Young (AK)
Doyle	Kuhl (NY)	Ramstad	Woolsey	Wynn	Young (FL)
Draide	Langevin	Regula			
Dreier	Lantos	Rehberg			
Duncan	Larsen (WA)	Reichert	Alexander	Evans	Nussle
Edwards	Larson (CT)	Renzi	Baird	Feeney	Pallone
Ehlers	Latham	Reyes	Becerra	Flake	Pascrell
Emanuel	LaTourrette	Reynolds	Blackburn	Gutierrez	Payne
Engel	Leach	Rogers (AL)	Boswell	Hefley	Pence
English (PA)	Lee	Rogers (KY)	Boustany	Hinojosa	Peterson (MN)
Eshoo	Levin	Rogers (MI)	Brown, Corrine	Hunter	Peterson (PA)
Etheridge	Lewis (CA)	Rohrabacher	Brown-Waite,	Jones (OH)	Pryce (OH)
Everett	Lewis (GA)	Ros-Lehtinen	Ginny	Kelly	Rangel
Farr	Lewis (KY)	Ross	Buyer	Kilpatrick (MI)	Ruppersberger
Fattah	Linder	Rothman	Capuano	Knollenberg	Sánchez, Linda
Ferguson	Lipinski	Roybal-Allard	Culberson	LaHood	T.
Filner	LoBiondo	Royce	Davis (AL)	McCarthy	Simpson
Fitzpatrick (PA)	Lofgren, Zoe	Rush	Davis (FL)	Menendez	Walsh
Foley	Lowey	Ryan (OH)	Emerson	Miller, George	Wexler
Forbes	Lucas	Ryan (WI)			
Ford	Lungren, Daniel	Ryun (KS)			
Fortenberry	E.	Sabo			
Fossella	Lynch	Salazar			
Fox	Mack	Sanchez, Loretta			
Frank (MA)	Maloney	Sanders			
Franks (AZ)	Manzullo	Saxton			
Frelinghuysen	Marchant	Schakowsky			
Garrett (NJ)	Markey	Schiff			
Gerlach	Marshall	Schwartz (PA)			
Gibbons	Matheson	Schwarz (MI)			
Gilchrest	Matsui	Scott (GA)			
Gillmor	McCaul (TX)	Scott (VA)			
Gingrey	McCollum (MN)	Sensenbrenner			
Gohmert	McCotter	Serrano			
Gonzalez	McCrery	Sessions			
Goode	McDermott	Shadegg			
Goodlatte	McGovern	Shaw			
Gordon	McHenry	Shays			
Granger	McHugh	Sherman			
Graves	McIntyre	Sherwood			
Green (WI)	McKeon	Shimkus			
Green, Al	McKinney	Shuster			
Green, Gene	McMorris	Simmons			
Grijalva	McNulty	Skelton			
Gutknecht	Meehan	Slaughter			
Hall	Meeke (FL)	Smith (NJ)			
Harman	Meeke (NY)	Smith (TX)			
Harris	Melancon	Smith (WA)			
Hart	Mica	Snyder			
Hastings (FL)	Michaud	Sodrel			
Hastings (WA)	Millender-	Solis			
Hayes	McDonald	Souder			
Hayworth	Miller (FL)	Spratt			
Hensarling	Miller (MI)	Stark			
Herger	Miller (NC)	Stearns			
Herseth	Miller, Gary	Strickland			
Higgins	Mollohan	Stupak			
Hinche	Moore (KS)	Sullivan			
Hobson	Moore (WI)	Sweeney			
Hoekstra	Moran (KS)	Tancredo			
Holden	Moran (VA)	Tanner			
Holt	Murphy	Tauscher			
Honda	Murtha	Taylor (MS)			
Hooley	Musgrave	Taylor (NC)			
Hostenettler	Myrick	Terry			
Hoyer	Nadler	Thomas			
Hulshof	Napolitano	Thompson (CA)			
Hyde	Neal (MA)	Thompson (MS)			
Inglis (SC)	Neugebauer	Thornberry			
Inslee	Ney	Tiahrt			
Israel	Northup	Tiberi			
Issa	Norwood	Tierney			
Istook	Nunes	Towns			
Jackson (IL)	Oberstar	Turner			
Jackson-Lee	Obey	Udall (CO)			
(TX)	Oliver	Udall (NM)			
Jefferson	Ortiz	Upton			
Jenkins	Osborne	Van Hollen			
Jindal	Otter	Velázquez			
Johnson (CT)	Owens	Visclosky			
Johnson (IL)	Oxley	Walden (OR)			
Johnson, E. B.	Pastor	Wamp			
Johnson, Sam	Paul	Wasserman			
Jones (NC)	Pearce	Schultz			
Kanjorski	Pelosi	Waters			
Kaptur	Petri	Watson			
Keller	Pickering	Watt			
Kennedy (MN)	Pitts	Waxman			
Kennedy (RI)	Platts	Weiner			
Kildee	Poe	Weldon (FL)			
Kind	Pombo	Weldon (PA)			
King (IA)	Pomeroy	Weller			
King (NY)	Porter	Westmoreland			
Kingston	Portman	Whitfield			
Kirk	Price (GA)	Wicker			
Kline	Price (NC)	Wilson (NM)			
Kolbe	Putnam	Wilson (SC)			
	Radanovich				

NOT VOTING—43

Alexander	Evans	Nussle
Baird	Feeney	Pallone
Becerra	Flake	Pascrell
Blackburn	Gutierrez	Payne
Boswell	Hefley	Pence
Boustany	Hinojosa	Peterson (MN)
Brown, Corrine	Hunter	Peterson (PA)
Brown-Waite,	Jones (OH)	Pryce (OH)
Ginny	Kelly	Rangel
Buyer	Kilpatrick (MI)	Ruppersberger
Capuano	Knollenberg	Sánchez, Linda
Culberson	LaHood	T.
Davis (AL)	McCarthy	Simpson
Davis (FL)	Menendez	Walsh
Emerson	Miller, George	Wexler

□ 1922

So (two-thirds having voted in favor thereof) the rules were suspended and the Senate bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Ms. KILPATRICK of Michigan. Mr. Speaker, personal business in my district prevents me from being present for legislative business scheduled for today, Monday, March 14, 2005. Had I been present, I would have voted "yea" on H.R. 135, authorizing the establishment of a House Democracy Assistance Commission (rollcall No. 66); "yea" on H. Res. 101, a resolution urging the European Union to Add Hezbollah to the List of Terrorist Organizations (rollcall No. 67); and "yea" on S. 384, to extend the Nazi and Japanese War Crimes Working Group (rollcall No. 68).

PERSONAL EXPLANATION

Mr. FLAKE. Mr. Speaker, I was regrettably absent from the Chamber today during rollcall votes 66, 67, and 68. Had I been present, I would have voted "nay" on rollcall 66, "yea" on rollcall 67, and "yea" on rollcall 68.

PERSONAL EXPLANATION

Mr. PASCARELL. Mr. Speaker, I rise to offer a personal explanation. Earlier today, I was unavoidably detained on rollcall votes 66, 67, and 68 due to prior obligation. Had I been present, I would have voted "yea" on rollcall vote 66 (H. Res. 135), "yea" on rollcall vote 67 (H. Res. 101), and "yea" on rollcall vote 68 (S. 384).

REAFFIRMATION OF AMERICAN INDEPENDENCE RESOLUTION

(Ms. FOXX asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. FOXX. Mr. Speaker, today I rise to ask my colleagues to join me in co-sponsoring House Resolution 97, the Reaffirmation of American Independence Resolution.

We have a serious problem with our country's judicial systemic. Oftentimes judges will cite foreign laws when interpreting the United States Constitution and our other laws. This happened

earlier this month when the Supreme Court cited international rulings and opinions in its decision to abolish the death penalty for juveniles.

Foreign laws and the beliefs of foreign governments should have no bearing whatsoever when it comes to interpreting American laws. Judges who take these outside opinions into account are legislating from the bench and abandoning their duty to interpret the U.S. Constitution.

It is time we hold our judges accountable for their actions. The Reaffirmation of American Independence Resolution states that judicial decisions should not be based on any foreign laws, court decisions or pronouncements of foreign governments. I strongly urge my colleagues to support this very important resolution.

#### SPECIAL ORDERS

The SPEAKER pro tempore (Mr. BOOZMAN). Under the Speaker's announced policy of January 4, 2005, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

#### THE UGLY FACE OF CAFTA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. BROWN) is recognized for 5 minutes.

Mr. BROWN of Ohio. Mr. Speaker, this is the face of the Central American Free Trade Agreement.

This photo was taken by Reuters news service last week in Guatemala as police forces used tear gas and water cannons to beat back demonstrators who had united to speak out against the Central American Free Trade Agreement. Sadly, despite days of protests in organized worker strikes against CAFTA, the Guatemalan Congress ratified that trade agreement late last week.

It appears that politicians encouraged by multinational corporations fail to understand what their workers realize all too clearly: CAFTA is an empty promise that will keep workers in poverty while reaping huge profits for the corporate executives.

Throughout the developing world, Mr. Speaker, workers simply, unlike in this country in most cases, workers simply do not share in the wealth they create. Nike workers in Vietnam cannot afford the shoes they make. Disney workers in Costa Rica cannot afford the toys for their children. Motorola workers in Malaysia are unable to purchase the cell phone.

The North American Free Trade Agreement promised to create a thriving middle class in Mexico, promising higher wages, promising to lift people out of poverty. Eleven years later there is no newly created middle class realizing its dreams. Instead there is a fallen minimum wage and the ongoing nightmare of abject poverty, despite backbreaking work, despite deplorable working conditions.

Now President Bush wants to expand this failed trade policy with CAFTA, dysfunction cousin of NAFTA, involving five Central American countries: Costa Rica, Nicaragua, El Salvador, Honduras, and Guatemala.

CAFTA nations are not only among the world's poorest countries; they are among the smallest economies. With a \$62 billion combined economic output, about that of Columbus, Ohio, these nations can hardly serve as a growth engine for the \$10 trillion U.S. economy.

CAFTA is more about access to cheap labor and exporting American jobs than it is exporting U.S. goods and produce.

Trade pacts like NAFTA and CAFTA enable countries to exploit cheap labor in other countries and then import their products back into the United States under favorable terms. As a result, America, especially my State of Ohio, bleeds manufacturing jobs and runs unprecedented trade deficits.

The first year I ran for Congress, our trade deficit was \$38 billion. Today it is \$617 billion for calendar year 2004. Gregory Mankiw, then President Bush's chief economist, portrayed the exporting of jobs as inevitable and desirable saying, "When a good or service is produced more cheaply abroad, it makes more sense to import it than it does to provide it domestically."

What really makes sense is a trade policy that lifts workers up in rich and poor countries alike, while respecting human rights and democratic principles. Proof that CAFTA is a legacy of failing trade policies is evidence in this Congress's own inaction. For the last 5 years, Congress has typically voted within about 2 months, within 60 days of President Bush signing a trade agreement.

Nearly 300 days have elapsed since President Bush signed the Central America Free Trade Agreement, still this Congress has not acted because the majority of this Congress understands our trade policies have failed.

Proof that CAFTA is a failure can be seen in this photo, Mr. Speaker. In Guatemala today, thousands of workers united in a nationwide strike voicing opposition to a trade policy they know will fail them, one that American workers also know will fail us.

This is the result of these demonstrations, where police turn on this country's workers, workers who are simply opposing in a democratic, open demonstration opposing its government trade policies. Yet the U.S. continues to push for more of the same, more trade agreements that ship jobs overseas, more trade agreements that neglect essential environmental rules, more trade agreements that keep foreign workers in poverty.

Madness is repeating the same action over and over and over and expecting a different result. The United States with our unrivaled purchasing power and our enormous economic clout is in a unique position to help empower poor

workers in developing countries while promoting prosperity here at home.

When the world's poorest people can buy American products rather than just make them, we know then that our trade policies have finally succeeded.

#### NAVY AND MARINE CORPS ARE A TEAM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from North Carolina (Mr. JONES) is recognized for 5 minutes.

Mr. JONES of North Carolina. Mr. Speaker, I am back on the floor again. This will be the third year that the House Committee on Armed Services has supported a bill that I have put in to rename the Department of Navy to be Navy and Marine Corps.

Both the Marine Corps, the Navy, the Air Force and the Army have great histories, and I think the American people know and respect each and every one of them. But the Marine Corps does not have a Secretary of the Navy/Marine Corps.

The Marine Corps, in my opinion, deserves to have and it is about time that we recognize the four services equally and respectfully of each one of them.

Quite frankly, for two Congresses over the last 30 years, the Congresses have passed legislation that has said that we have four separate services, four separate services: Army, Navy, Marine Corps, and Air Force. And actually the Navy and Marine Corps are a team. And this is said so many times in the Committee on Armed Services. I have been on it for 10 years, and every time the commandant of the Marine Corps comes in or the CNO of the Navy or the admiral comes in or the Secretary of the Navy, they all say we are a fighting team. We are a team. We are this and we are that.

I agree with that, and I have great respect for both, but my question is why is the Marine Corps not recognized for its greatness? The Navy is great. The Army is great. The Air Force is great. Yet, we do not have a Department of Navy/Marine Corps. We do not have a Secretary of Navy/Marine Corps.

□ 1930

Mr. Speaker, tonight I brought on the floor an enlargement of the official letter of the Secretary of Navy to a Marine named Sergeant Michael Bitts. Sergeant Bitts was killed at the battle of Nasiriyah. He left a wife and three children, twins that he never saw. They were born after he was deployed.

It so happened that about a year ago the Department of Navy decided that Sergeant Bitts deserved and earned the Silver Star for valor in Iraq. What my colleagues see tonight, Mr. Speaker, is an enlargement of the citation itself and it says at the top, the official heading says Secretary of the Navy, Washington, D.C., ZIP code, and then to the left it has the Navy flag.

My question would be, Mr. Speaker, to the House and Senate, is, yes, this is

one wonderful way to remember a man who gave his life for his country who happened to be a Marine, but Mr. Speaker, I wonder if it would not mean more to his children, 10 and 15 years down the road, if the second post behind it, I have had an enlargement made of what it should be, which it says at the top, Mr. Speaker, it says the Secretary of Navy and Marine Corps, with the Navy flag and the Marine flag.

Mr. Speaker, this is what it is all about. This is a team, and I think it is time that the House, which has for 3 years, and now the Senate, seriously look at making the Department of Navy, Navy and Marine Corps, and I hope that this will be the year, 2005, that this will happen.

Again, I want to praise everyone in uniform, whether it be Army, Navy, Marine Corps, Air Force, and thank them for their service.

Mr. Speaker, as I close tonight, I want to say, I ask the good Lord to bless our men and women in uniform and their families. I ask God to please bless the families who have lost loved ones, in His loving arms to hold them, and God, I ask the good Lord to please bless America, to please bless the House and Senate that we will do what is right. I ask God to bless the President with wisdom, strength and courage to do what is right for this Nation. Three times I ask God bless, God bless, God bless America.

#### ORDER OF BUSINESS

Mr. EMANUEL. Mr. Speaker, I ask unanimous consent to take my Special Order at this time.

The SPEAKER pro tempore (Mr. DANIEL E. LUNGREN of California). Is there objection to the request of the gentleman from Illinois?

There was no objection.

#### ASSET PROTECTION TRUST LOOPHOLE IN BANKRUPTCY BILL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. EMANUEL) is recognized for 5 minutes.

Mr. EMANUEL. Mr. Speaker, as the House takes up the bankruptcy legislation, a glaring loophole remains untouched in this so-called reform bill. It is known as the Millionaire's Loophole. It is a proven windfall for the very wealthy and the very well connected. It was created by five States that passed laws exempting asset protection trusts from the Federal bankruptcy code.

These trusts allow wealthy individuals to stash funds, often in offshore accounts, for the purpose of hiding their assets from creditors after they declare bankruptcy.

What we are, in fact, doing in this bill is creating two bankruptcy laws, one for the well-connected and one for middle class families. Middle class families, over half of them who declare bankruptcy, do it because of health

care costs, and they are forced because of higher hospital costs or other type of health care expenses they did not expect and they do not have coverage, they seek bankruptcy protection. The wealthy, they have a special loophole here that protects their assets, wherever they may be, and sometimes in foreign accounts, and therefore, they have a bankruptcy law, one that treats them and all of their assets with a certain standard and another one that treats middle class families who are usually facing a health care crisis. That is not the way this legislation should be drafted.

We should have one bankruptcy bill for every American, not two bankruptcy bills, one for the very wealthy and connected and one for middle class families struggling with health care costs.

Whether the assets are villas, yachts, investments or a suitcase full of cash, they are untouchable in bankruptcy reorganizations for the well-to-do. Neither creditors nor the courts can reach into the asset protection trusts.

As one bankruptcy expert observed in the Wall Street Journal, "With this loophole, the rich won't need to buy houses in Florida or Texas to keep their millions."

What is ironic here is the bankruptcy bill is titled The Bankruptcy Abuse Prevention and Consumer Protection Act. If this loophole is not abuse, what is? While the bill keeps asset protection trusts in place, it makes it very hard for those who fall behind to work themselves out of the financial trouble they face.

More than half of all the bankruptcies in America are the result of catastrophic medical bills. Middle class families cannot pay. Rather than dealing with the health care crisis of uncontrollable costs, of lack of coverage, what has the infinite wisdom of this Congress done? Decided to come up with a bankruptcy piece of legislation that treats the wealthy one way and with one standard of protection and throws the middle class in front of the train, but if you can afford a high priced lawyer to set up an offshore trust, you are better off in bankruptcy court than if you are a middle class family trying to pay off of a massive hospital bill.

The right way to address this problem is to have bankruptcy legislation that treats every American the same, regardless of circumstance, regardless of income. That is not what this legislation does.

My colleague and I, the gentleman from Massachusetts (Mr. DELAHUNT) are offering an amendment to deal with this in the Committee on the Judiciary and to address this discrepancy in the law, but by preserving the asset protection trust loophole, the bankruptcy bill is protecting wealthy deadbeats from the same punishment, the same standards, the same rule of law that the legislation imposes upon every American, regardless of income.

Regrettably, the Senate voted down an amendment to close this loophole. We are going to be offering this amendment both in the Committee on the Judiciary as well as in the full House. I am glad that my colleague, the gentleman from Massachusetts (Mr. DELAHUNT), has joined me in this effort.

Our legislation would force the wealthy individuals and well-connected who are trying to cheat the system to limit the funds they can protect to a maximum of \$125,000, and importantly, this amendment does not affect retired Americans or take anything away from their nest egg and retirement security. It specifically carves out an exemption for retirees. It also protects charitable, educational and other trusts set aside for legitimate purposes.

Mr. Speaker, what kind of values does our bankruptcy code reflect when the abuses of the wealthy deserve more leeway than middle class families struggling with health care costs? We must address this discrepancy and these double standards continuously. We have it in our tax code. We have it in our educational system. We have it in our laws which allow our American corporations to set up in Bermuda and avoid taxes here in the country while middle class families struggle. We should not have bankruptcy legislation pass the United States Congress that sets up two laws, one that can afford lawyers and accountants to protect them and another one that is struggling and middle class families that are struggling to pay health care costs.

We can do better. It is time that this Congress show the wisdom to understand that every American will have the same laws applied to itself regardless of income.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Oregon (Mr. DEFAZIO) is recognized for 5 minutes.

(Mr. DEFAZIO addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Nebraska (Mr. OSBORNE) is recognized for 5 minutes.

(Mr. OSBORNE addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

#### EXCHANGE OF SPECIAL ORDER TIME

Ms. WOOLSEY. Mr. Speaker, I ask unanimous consent to speak out of turn and take the gentleman from Oregon's (Mr. DEFAZIO) time.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

SMART SECURITY AND IRAQI  
SECURITY FORCES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Ms. WOOLSEY) is recognized for 5 minutes.

Ms. WOOLSEY. Mr. Speaker, yesterday General Richard Myers, Chairman of the Joint Chiefs of Staff, announced that 142,000 members of the Iraqi security forces have been fully trained. That statement leads me to wonder, if the number of trained Iraqi security personnel equals the number of United States troops in Iraq, why have we not begun to bring our troops home?

If the Iraqi people are trained to protect their country, as General Myers claims, then why has the Bush administration left our troops to be sitting ducks in Iraq for the foreseeable future? Why are not the Iraqis relying on these 142,000 security personnel for the heavy burden of keeping Iraq secure?

Sadly, the Bush administration wants the American people to ignore the fact that together 150,000 American troops and 142,000 Iraqi troops have not been able to secure the country.

That is because by invading Iraq the Bush administration has created a whole new generation of terrorist recruits whose common tie is their hatred for the United States occupation.

This immoral, ill-conceived and unjust war against a country that never provoked us and never posed a threat to the United States has made Americans, and Iraqis alike, much less safe.

Most of the 1,500 U.S. troops who have been killed in Iraq died after President Bush made those now infamous remarks about the end of major combat operations in May of 2003, with the banner Mission Accomplished prominently displayed in the background. Mr. Speaker, the way to honor our brave troops is by preventing further lives from being lost. In addition to the 1,500 troops killed, more than 11,000 Americans have been severely wounded and a staggering tens of thousands of innocent Iraqi civilians have died in this war.

The tremendous cost of the war is no less dangerous to our security here at home because thousands of Iraqi insurgents have been created since we attacked Iraq. Congress has charged U.S. taxpayers over \$200 billion in less than 2 years to pay for the ongoing occupation of that country.

Imagine what we could do with \$200 billion. We could fund our Nation's homeland security efforts for an entire year or shore up the budget shortfalls of every single State in the country and still have billions of dollars left over to help reconstruct Iraq's decimated infrastructure.

Mr. Speaker, we need to pursue a new national security plan, one which defends America by relying on the very best of American values, our commitment to peace, our commitment to freedom, our compassion for the people of the world, and our capacity for multilateral leadership.

With the help of Physicians for Social Responsibility, the Friends Committee on National Legislation and Women's Action For New Direction, I have created a SMART security strategy for the 21st century. SMART stands for Sensible, Multilateral, American Response to Terrorism.

A SMART security strategy for Iraq means providing the developmental aid that can help create a robust civil society; building schools for Iraqi children so that they can learn about peace and freedom; water processing plants so all Iraqis will have clean drinking water; and ensuring that Iraq's economic infrastructure becomes fully viable in order to avoid a fiscal collapse.

Instead of troops, let us send scientists, educators, urban planners and constitutional experts to help rebuild Iraq's flagging economic and physical infrastructure and establish a robust and democratic civil society.

It is time for the Bush administration to pay attention to its own claims. If 142,000 Iraqi security forces have been trained, as General Myers told us yesterday, then the President should agree with me that it is time for the United States to cease playing a militaristic role in Iraq and begin playing a humanitarian role.

SMART security is the right approach for America in Iraq. The SMART approach would prevent any more American soldiers and Iraqi civilians from being needlessly killed. It would save the United States billions of dollars in military appropriations, and just as importantly, it would keep America safe. It is time for America to adopt a SMART security policy.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Mexico (Mrs. WILSON) is recognized for 5 minutes.

(Mrs. WILSON of New Mexico addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.)

OIL PRODUCTION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Maryland (Mr. GILCHREST) is recognized for 5 minutes.

Mr. GILCHREST. Mr. Speaker, in just a few minutes, the gentleman from Maryland (Mr. BARTLETT) will address the House for some period of time talking about energy sources, oil in particular, and the fact that many experts say that oil production, especially in the United States, but actually throughout the world, oil production of conventional oil under current patterns is expected to grow at a rate much faster, that means the use of oil by the world community is supposed to grow much faster than oil discovery production.

□ 1945

What is clear, because we are not sure exactly when that peak will come

in oil production, some say it is peaking right now, some say it will peak in 10 years, the amount of oil we get out of the ground will exceed the demand; but what is clear is that at some point in this century, world oil production will peak and then begin to decline. There is uncertainty about the date because many countries that produce oil do not provide credible data on how big their reserves are.

But more uncertainty calls for more caution, not less; and caution in this case means working to develop alternatives. When production of conventional oil peaks, we can expect a large increase in the price up to the price of the substitutes, whether so-called unconventional oil or renewable fuels. Although increasing domestic production may ease oil dependence slightly, the United States is only 3 percent of the world's estimated oil reserves and uses 25 percent of the world's oil.

I want to explain just from the perspective of the United States the huge increase in energy demand in the last century. I am going to use the word "quadrillion." Quadrillion is a number. If I put 1 followed by 15 zeroes, I have the number quadrillion. To measure energy use in a country, we use BTUs, British thermal units. A new furnace, whether oil or natural gas, you see the BTU to determine how much energy it is going to use. When you use BTUs to determine how much energy a country uses, you use a short term for quadrillion called "quads."

In 1910, the United States used 7 quads of BTUs. That is 7 quadrillion BTUs. In 1950, the United States used 35 quadrillion BTUs. In 2005, the United States uses 100 quadrillion BTUs, and we are accelerating that. We are increasing demand for oil for our energy needs. The world right now, 2005, uses 345 quadrillion BTUs, an enormous amount of energy.

We know today that our appliances, whether a washing machine, a refrigerator or dishwasher, we know they are much more efficient than they ever were, certainly 20, 30, 40 years ago; and yet we are using more electricity, not less. We know that automobiles and trucks and our transportation is much more efficient than it was 20 years ago, and yet the demand is increasing. We burn more coal, more natural gas. Each home, as efficient as each home is today, burns much more oil and electricity because of the demand on energy needs. We are not decreasing by getting efficient. Because our demand is greater, we are using more and more.

The question is if we are increasing demand and production is going to peak now or in the next decade or two and our production goes down while the demand goes up, especially with oil reserves, are we at the early stages of the twilight for oil as an energy source? And if we are, what do we do?

Well, the gentleman from Maryland (Mr. BARTLETT) will speak on a number of aspects of oil production decline. We will talk much further about the details of the solution to the problems of

our energy decline, but I want to close with two last things: How do we harness a new alternative energy source and make it replace what we have been using for more than 2 centuries? How do we do that? We do it with initiative, ingenuity, intellect, vision, and leadership. Remember when I said quadrillion was one with 15 zeroes and talked about how much energy we use, and right now it is 100 quadrillion BTUs, we are not too far away from understanding how to separate hydrogen and oxygen; that is heavy hydrogen from oxygen in seawater.

If we can slow light down 186,000 miles a second to zero, we can stop light, we can put information in a molecule, we understand the human genome, we will be able to use our ingenuity to tap 10 trillion quadrillion quads of BTUs in seawater. Our energy demand is increasing; oil production is decreasing. With intellect and leadership, we can transition to a new fuel source.

#### OIL DEMANDS

The SPEAKER pro tempore (Mr. DANIEL E. LUNGREN of California). Under the Speaker's announced policy of January 4, 2005, the gentleman from Maryland (Mr. BARTLETT) is recognized for 60 minutes as the designee of the majority leader.

Mr. BARTLETT of Maryland. Mr. Speaker, in this first chart we have some headlines from The Washington Post just a month or so ago. These are headlines from just one day in The Washington Post. The Dow drops 174 points driven, the article says, by economic damage from rising oil prices, the plunging dollar, and growing worries about consumer spending. It goes on to say that a recent oil price rise of 20 percent is continuing to crunch the profits of struggling airlines and is believed to be a factor in disappointing retail sales.

Another headline: "Dollar Slides Against the Euro and the Yen." And another headline: "Consumer Confidence Slips in February."

Now, should we have had any indication that these were going to be the kinds of headlines that we have been reading in our paper recently? We need to go back a few years, as indicated on this next chart. Let us go back to the 1940s and the 1950s when a scientist by the name of M. King Hubbert, a geologist, was working for the Shell Oil Company. He was watching the discovery and the exploitation and final exhaustion of individual oil fields. He noticed that every oil field followed a very typical pattern. It was a little slow getting the oil out at first, and then it came very quickly and reached a maximum, and then it tailed off as it became more difficult to get the oil out of the ground.

This followed a bell curve. Here is one of those bell curves. Now, bell curves are very familiar in science, and in life, for that matter. If we look at

people and how tall they are, we will have a few people down around 4½ or 5 feet and some up to 7½ feet; but the big mass fall in the middle, clustered around 5½ to 6 feet.

Looking at a yield of corn, a few farmers may get 50 bushels per acre, some may get 300, but the big mass today it is somewhere around 200 bushels per acre for corn.

Hubbert noticed when the bell curve reached its peak, about half of the oil had been exhausted from the field. Being a scientist, he theorized if you added up a lot of little bell curves, you would get one big bell curve, and if he could know the amount of reserves of oil in the United States, and he was doing this in the 1940s and early 1950s, and could project how much more might be found, he could then predict when the United States would peak in its oil production.

Doing this analysis, he concluded that we would peak in our oil production in 1970. This curve is what is known as Hubbert's Curve. The peak of the curve is what is known as Hubbert's Peak. Sometimes this is called the "great rollover" because when you get to the top, you roll over and start down the other side. It is frequently called "peak oil." So peak oil for the United States occurred in 1970, and it is true that every year since then we have pumped less oil and found less oil. The big blue squares here are the actual and Members see they deviated a little from the theoretical as M. King Hubbert predicted, but not all that much.

At the bottom, see the difference the big field in Alaska made, and see what that made in the down slope, that never increased production in our country. It just meant that we were not going down quite as fast. You can see that here on the curve. Notice that the Alaska oil production was not the typical bell curve. It should have been, but a couple of things meant it could not be. One was it could not flow at all until we had a 4-foot pipeline. So the fields were developed and they were waiting; then we got the pipeline on board, and it was filled with oil and oil started to flow, and Members see the rapid increase here. It could not flow any faster than through that 4-foot pipe, and so it levels off at the top. We have pumped probably three-fourths of the oil in Prudhoe Bay.

Many people would like to open up ANWR. ANWR has considerably less oil than Prudhoe Bay, so the contribution will be significantly less. I want to note on this chart we also have the red curve, which is the theoretical curve for the former Soviet Union. It is a nice bell curve, peaking a little higher, they have more reserves than we do, and later because we entered the industrial age with vigor before the Soviet Union was quite there. Notice what happened when they came apart; notice how precipitously it fell here. After they got things organized, the fall stopped and now they are producing

more oil. As a matter of fact, we might see a little upsurge in this; but the general trend is still going to be down.

On the next chart, and we have here the same Hubbert Curve, but the abscissa is a little too long and the ordinate a little too compressed, so it is not the sharp peak that we saw before. That is the curve we saw before. It shows the Texas component, and it shows the rest of the United States; and it also shows some natural gas liquids. We learned how to extract those a little later. So if you were plotting that as a bell curve, it would peak about here. It is little and then it is much, and then it tails off.

This is the contribution of Alaska, and you can see this not going to be our salvation to pump ANWR because ANWR contains probably not even half as much as Prudhoe Bay. And notice the small contribution that Alaska made. And that is not a bell curve for the reason I mentioned before because we had to develop the fields and they waited for the pipeline, and then it would surge through the pipeline when it was developed. So you do not see the tail getting greater and tailing off.

This is gulf oil. Remember the hullabaloo about the big finds of gulf oil that were going to solve our problem? That is what it did. There never was a moment in time between the big Alaska oil find and all of the pumping discovery and pumping in the gulf, there never was a moment in time when it decreased the fall in our country. The peak occurred, as you see here, about 1970.

Now, the next chart shows what is happening worldwide.

□ 2000

The red curve here shows the actual discovery of oil. Notice that that peaked. There was a big find here that distorted the curve a little but if you rounded that off, you would have the typical bell curve. It started somewhere back here off the chart, then it peaks, and then it is downhill and it tails off. These are the discoveries. The last find there is simply an extrapolation. We have no idea where it is going.

We are, by the way, very good at finding oil now. We use 3D seismic detection techniques. The world has drilled, I think, about 5 million oil wells and I think we have drilled about 3 million of them in this country, so we have a pretty good idea of where oil is.

A couple of Congresses ago, I was privileged to chair the Energy Subcommittee on Science. One of the first things I wanted to do was to determine the dimensions of the problem. We held a couple of hearings and had the world experts in. Surprisingly from the most pessimistic to the most optimistic, there was not much deviation in what the estimate is as to what the known reserves are out there. It is about 1,000 gigabarrels. That sounds like an awful lot of oil. But when you divide into that the amount of oil which we use,

about 20 million barrels a day, and the amount of oil the rest of the world uses, about 60 million barrels a day, as a matter of fact, the total now is a bit over the 80 million that those two add up to. About 83½, I think. If you divide that into the 1,000 gigabarrels, you come out at about 40 years of oil remaining in the world. That is pretty good. Because up until the Carter years, during the Carter years, in every decade we used as much oil as had been used in all of previous history. Let me repeat that, because that is startling. In every decade, we used as much oil as had been used in all of previous history. The reason for that, of course, was that we were on the upward side of this bell curve. The bell curve for usage, only part of it is shown on this chart. That is the green one down here, the bell curve for usage. Notice that we are out here now about 2005. Where is it going? The Energy Information Agency says that we are going to keep on using more oil. This green line just going up and up and up is a projection of the Energy Information Agency. But that cannot be true. That cannot be true for a couple of reasons. We peaked in our discovery of oil way back here in the late sixties, about 1970. In our country it peaked much earlier than that, by the way. But the world is following several years behind us. And the area under this red curve must be the same as the area under the green curve. You cannot pump any more oil than you have found, quite obviously. If you have not found it, you cannot pump it. If you were to extend this on out where they have extended their green line, even if it turned down right there at the end of that green line, the area under the green curve is going to be very much larger than the area under the red curve. That just cannot be. We will see in some subsequent charts that we probably have reached peak oil.

Let me mention that M. King Hubbert looked at the world situation. He was joined by another scientist, Colin Campbell, who is still alive, an American citizen who lives in Scotland. Using M. King Hubbert's predictive techniques, oil was predicted to reach a maximum in about 1995, without perturbations. But there were some perturbations. One of the perturbations was 1973, the Arab oil embargo. Other perturbations were the oil price shocks and a worldwide recession that reduced the demand for oil. And so the peak that might have occurred in 1995 will occur later. How much later? That is what we are looking at this evening. There is a lot of evidence that suggests that if not now, then very quickly we should see world production of oil peak.

What are the consequences? What are the consequences of this depletion? The remaining oil is harder to get. It requires greater energy investment, resulting in a lower return on energy invested. That is the energy-profit ratio, which is decreasing. When we started out, you put in one unit of energy and

you could get 30 out. Then that fell off, and then we found a few more fields and we got really good at extracting oil with better techniques. It looked for a little while like it was going up, but look what happened. It falls off to where it would have come anyhow if this curve had simply gone down. This is an inevitable consequence of pumping a field.

Lower profits are not the only concern. When more energy is required to extract it than is contained in the recovered oil, that is, when this ratio is less than 1, notice, we are over there at about 1984, we have got to get now another 20 years, I am not quite sure where we are now when you plot that day. We are getting very close to the unit it takes as much energy to get the oil out as you get out of the oil. It may still seem profitable from a monetary perspective, but when you are using more energy to get oil out of the ground than you are getting out of the oil, then clearly you need to leave it there when we reach that point. I mentioned the bump there was caused by a few more discoveries and particularly by increased efficiency in pumping the oil.

What is the current U.S. status? We have only 2 percent, between 2 and 3 percent, not really known for certain, but approximately 2 percent of the known reserves of oil. We use 25 percent of the world's oil. By the way, we have about 8 percent of the world production. What that means is if we have only 2 percent of the reserves and 8 percent of the production, that means we are real good at pumping oil, does it not? That means we are pumping our reserves at roughly four times faster than the rest of the world. That means that this 2 percent will not stay 2 percent by and by because we are so good at pumping oil, we are going to be down to 1 percent of the known reserves in the world and we will still be using about 25 percent of the world's oil. We are now importing about two-thirds of that. At the Arab oil embargo we imported about one-third of that. So we are now importing, relatively, two times more oil, actual quantity much more than that, but relatively about two times more oil.

Chart 6 shows us that more drilling just will not solve the problem. This is a very interesting chart. This shows the difference between the amount of oil that you are finding and the amount of oil that you are pumping. Notice from 1960 on until about 1980, declining for sure, but every year except for one we found more oil than we pumped. The yellow line up here is drilling. You remember the Reagan administration and all the emphasis on drilling because we knew that we were approaching this flipover point where we were going to be pumping more oil than we found and so there was a rationale that if you just give them a profit motive and you have the right incentives, tax and regulatory incentives and so forth, they will go out and

they will dig more wells and they will find more oil. Sure as heck they went out and dug more wells. But did they find any more oil? As a matter of fact, in 1982, more oil was used in looking for oil than the oil they found in 1982. Pretty consistently for every year after 1982, we have used more oil than we found. Today worldwide we are pumping at least six barrels of oil for every barrel that we find.

Chart 7 shows that worldwide discoveries are repeating the U.S. pattern. This is a rough bell curve. You find a big find of oil and it is going to make a spike. This is average for 5 years. If you look at it on a year for year, it is really up and down as you find big reservoirs of oil. But generally it starts low and it goes up and it comes down. It follows roughly a bell curve. I would not pay too much attention to the figures on the ordinate here, because the area under this curve must equal just a little bit over 2,000 gigabarrels of oil. If I visually sum the area under this curve, it is going to equal something more, not frightfully more but something more than 2,000 gigabarrels of oil which from other sources we know ought to be the total amount of oil under the sun. Notice that we are tailing off to something very low. It is unlikely that we are going to find big additional finds in the future. Again, we are very good at that. We have dug about 5 million wells worldwide. We have done a whole lot more than that explorations with detonations and seismic and 3D and computers and we are very good at looking at the kind of geology where you might find oil. There is just no real expectation that there are going to be big additional fields of oil found out there. This dropoff in discovery is really in spite of very improved technology for finding oil.

Chart 8. This is a very interesting chart. It has nothing to do with time, because on the abscissa here, we have the number of wells that are drilled, the cumulative oil caps, and on the ordinate, we have the amount of oil that was found. For any relatively big field, here we are talking about 50 gigabarrels. Remember, there are about 2,000 gigabarrels worldwide, so this is a meaningful part of the world reserves of oil. We see that that goes up and up and then it tails off. You cannot find what is not there. No matter how many more wells you drill, you are not going to find oil that is not there. The same pattern should be apparent on a world scale.

Chart 9. This is a very interesting chart. It is a little too busy, but let me try to explain what is there. The oil companies for reasons of pricing and regulations and so forth have had the habit through the years of under-reporting initially how much oil they found. Then later when it was appropriate to their license to produce more oil, they would report additional oil. They never found any additional oil, they simply reported oil they had found previously. By the way, you may

have noted that three times in the last roughly 3 weeks, oil companies have admitted that their estimates of the reserves were exaggerated and have downscaled the reserves that they said were there. If you took the original reporting of the reserves, you might be able to construct a curve, a straight line curve which said we are just getting more and more. But if you backdated that to the actual discoveries, then you get this curve. This curve is asymptoting at a bit over 2,000 gigabarrels, which is about what the world's experts say had been there. We have now pumped about half of that. We have about 1,000 gigabarrels remaining.

What now? Where do we go now? One observer, Matt Savinar, who has thoroughly researched the options, and this is not the most optimistic assessment, by the way, but may be somewhat realistic, he starts out by saying, Dear Readers, civilization as we know it is coming to an end soon. I hope not. This is not the wacky proclamation of a doomsday cult, apocalypse Bible sect or conspiracy theory society. Rather, it is a scientific conclusion of the best-paid, most widely respected geologists, physicists and investment bankers in the world. These are rational, professional, conservative individuals who are absolutely terrified by the phenomenon known as global peak oil.

Why should they be terrified? Why should they be terrified just because we have reached the peak of oil production? Last year, China used about 30 percent more oil. India now is demanding more oil. As a matter of fact, China now is the second largest importer of oil in the world. They have passed Japan. When you look at how important oil is to our economy, you can understand the big concern if, in fact, we cannot produce oil any faster than we are producing it now and there are increasing demands, as there will be, for oil. In our country, for instance, we have a debt that we must service. It will be essentially impossible to service that debt if our economy does not continue to grow. So there are enormous potential consequences, which is why he says that these people are absolutely terrified by the phenomenon known as peak oil.

What can we do to avert the kind of a catastrophe that he hints at with those words? We must not squander an opportunity. One is always reminded of Malthus. I am sure you have heard of him. He was looking at the increase in world population and he looked at our ability to produce food and he says, gosh, those two curves are going to cross because the world population was increasing faster than our ability to produce food and we are going to have mass starvation. That did not happen. The reason that did not happen was because Malthus could not have anticipated the green revolution, which, by the way, was made possible almost entirely, well, the plant science had a lot to do with it but better plants and bet-

ter genes without the fertilizer to make them grow is not going to do you much good, so the green revolution was very largely the result of our intensive use of oil. Most people do not know it, but all of our nitrogen fertilizer is made from natural gas. You may have observed that when you have a thunderstorm in the summertime, your lawn is greener than when you have watered it.

□ 2015

That is because of what is known as poor man's fertilizer. The lightning combines some of the nitrogen so they can be carried down by the water and one's lawn is, in fact, greener after a thunderstorm than it is when they water it. We have kind of learned how to mimic lightning, and we now know how to make nitrogen fertilizer from gas. By the way, before we knew how to do that, the only sources of nitrogen fertilizer were barnyard manururers. If one is on the Eastern Shore with a lot of chickens, one could go a long way with that now in agriculture, could one not? But barnyard manururers would fertilize only a tiny percentage of the nitrogen needs of our plants.

And other than that it was guano. My colleagues know what guano is. Guano is the droppings of bats or of birds on a tropical island, their droppings accumulating for thousands of years, and there was a major industry in sending ships around the world to tropical islands and getting the guano.

We must not squander the opportunity that we have. Jevons Paradox becomes applicable here. Just a word about what Jevons Paradox is because I am going to mention it a time or two again. But Jevons Paradox says that frequently when one works to solve a problem, they really make the situation worse.

Let me give one little example. Suppose there is a small businessman who owns a store. He is really concerned about peak oil, and he is concerned about energy, and he wants to do something. His little store is using \$1,000 worth of electricity a month, and he decides that he can really cut that use. So he does several things. He gets a storm door. He puts on storm windows. He insulates more. He turns down the thermostat, and he asks his workers to wear sweaters. And he is successful because he reduces his electric bill from \$1,000 to \$500. Almost no matter what he does with that \$500, he has just made the situation worse by doing that.

Let me explain. One of the things that he may do, and it is a natural thing for a small businessperson to do, he may decide, I could hire more people and have a bigger business if I expanded. And so now he will expand, and he will still be using as much energy. Or if he decides to invest his money, if he invests his money in the bank, the bank will lend his money out five or six times, and at least some of those loans will be to small business people. And

what the small business people will do is to create jobs and use energy. So the store owner is concerned about energy and the environment and being a responsible citizen, cutting his use of electricity, because everybody did not do it, because only he did it and nobody took advantage of the opportunity that was presented because he used less energy, he really contributed to the problem.

Because after he expanded his business, he would be using still more energy. Or if the money was lent out by the bank and small businesses created more jobs and they used more energy, the situation would have just gotten worse.

All that the "green revolution" did was temporarily extend the caring capacity of the world. If we think about that, ultimately if we cannot do something about it to stabilize it, the green revolution just made matters worse. In the meantime we have all eaten very well in spite of the fact that about a fifth of the world will go to bed hungry tonight; but on the average, we are eating very well, and because of the average American, we are eating maybe too well.

But what we have done with the green revolution is to permit the population of the world to double and double again. So if we cannot now make sure that we stabilize population and bring it to the point where it can be supported by a technology where there is not what was ordinarily perceived as an inexhaustible supply of oil, there will simply be more people out there to be hungry and starved if we cannot meet their needs. So we have got to make sure that whatever we do to solve this problem that Jevons Paradox does not contribute.

Chart 10, this shows that this growth cannot be sustained forever. The greatest power in the universe, Albert Einstein was asked this question: Dr. Einstein, you have now discovered the ability to release energy from the atom. We get just incredible amounts of energy from the atom. A relatively small amount of fuel in one of our big submarines will fuel it for 33 years now. Enormous energy density. And they asked him, Dr. Einstein, what is the most energy-intensive thing in the world? He said, "It is compound interest."

That is what we have here in this exponential curve. And by the way, we, and when I say "we," I mean the world, have been using oil as if our economy could just continue to grow on this unlimited exponential curve. Whether it is 2 percent a year or 5 percent a year or near 10 percent, which is what China has been growing in the last few years, we are still on an exponential curve. Not quite so steep if we are on a lower growth rate. It goes up and up forever and ever.

Obviously, there is not an inexhaustible amount of oil in the world; so we have the exhaustible resource, which is this lower curve. It reaches a peak,

which, if not now, shortly. Oil, as the Members may have noticed, is \$54 or \$55 a barrel. I saw the other day one future had sold for \$100 a barrel, and the experts are saying we are probably going to see \$60 before we see \$50. We will wait and see.

The third curve here is the renewable resource curve. Do not be confused by the size of these curves. They are simply placed here so that lines would not cross other lines. But in actual practice, the renewable resource curve is likely to be nowhere near the peak of the exhaustible resource curve, energy.

Let me give a little example of what the problem is and why this is almost certainly true. One barrel of oil, 42 gallons of oil, equals the productivity of 25,000 manhours. That is the equivalent of having 60 dedicated servants that do nothing but work for someone. We can get a little better real-life example of this. A gallon of gas will drive a 3-ton SUV, and some of those are better than others, and let us say it takes it 20 minutes, which some will but most will not. Most are around 10. But let us say one gallon of gas will take a 3-ton SUV 20 miles at 60 miles an hour down the road. That is just one little gallon of gas, which, by the way, is still cheaper than water. We pay more for water in the grocery store than we pay for gas at \$2 a gallon at the pump, added up.

How long would it take one to push their 3-ton SUV the equivalent of 60 miles an hour, 20 miles down the road? To get some idea of the energy density in these fossil fuels, there is just nothing out there in the alternatives that have anything like this energy density. There are some potentials, nuclear, and we will talk about those in a little bit. But of the general renewables, there is nothing out there with that kind of density. So this curve is likely to be much lower than this curve; and notice that if it is, in fact, going to be renewable, it cannot go to an unrealistic height. There is only so much wood to cut. Easter Island had that experience. When they cut the last tree, they totally changed the ecology.

The Bible talks about the large clusters of grapes and the honey and so forth that they found when the spies went out. That now is a desert. The Cedars of Lebanon, the grand Cedars of Lebanon that built the temple, that is now largely a desert. Why is it a desert? Because they cut the trees, they changed the environment, they changed the climate. So obviously this line has to be a reasonable sustainable level. It just cannot go on forever.

The challenge, then, is to reduce consumption ultimately to a level that cannot be sustained indefinitely without succumbing to Jevons Paradox.

How do we buy time, the time that we will need to make the transition to sustainability? Obviously, there are only two things that we can do to buy time. One is to conserve, and the other is to be more efficient. And the gentleman from Maryland (Mr. GILCREST) mentioned our increasing efficiency.

We have done a great job. Our refrigerators today are probably twice as efficient as they were 20 or 30 years ago. But instead of a little refrigerator, we have a big one. Instead of one, we may have two. So I will bet we are using as much electricity in our refrigeration as we ever used.

Conservation, we can do that. Remember several years ago when there were brownouts, blackouts in California and we were predicting, boy, the next year is really going to be rough? Do the Members know why it was not and we did not see any headlines about blackouts in California? Because knowing that there was a problem, the Californians, without anybody telling them they had to, voluntarily reduced their electricity consumption by 11 percent. That is pretty significant. And that avoided the rolling blackouts or brownouts.

And, finally, we must commit to major investments in alternatives, especially as efficiencies improve. This must ultimately lead to the ability to do everything within the capability of renewable resources. If we have got a solar breeder, and this shows a picture of a solar breeder. That, by the way, is about 5 miles from my home. It was built by Solarex, and it is a sign of the times. Mr. Speaker, this is now owned by BP. They know that oil is not forever. They are now the world's second largest producer of solar panels.

A few years ago, the largest buyer of solar panels in the world, and I do not know if that is true today, but a few years ago it was Saudi Arabia. Why would Saudi Arabia, with the most oil in the world, be the biggest purchaser of solar panels in the world? The reasons are very simple. These are not dumb people, and they figured out that solar panels were better for them in producing electricity than oil because they had widely distributed communities that were very small. Electrons in a wire are very different than oil in a pipeline. Put a gallon of oil in a pipeline up at Prudhoe Bay, and a gallon will come out where it goes on the ship. If we put electrons in a line which is long enough, nothing will come out in the other end. It is called line loss.

And they knew that in their small communities, widely distributed, with the enormous line losses they had from big plants, that they would be better off with distributed production.

By the way, just a hint to our people who are concerned with homeland security, the more distributed production we have, the less vulnerable we are going to be to terrorist attacks on our power infrastructure.

Transition to sustainability will not happen if left applying market forces alone. Everyone must be part of the effort or Jevons Paradox will prevail. If only our country tries to do it and nobody else helps, we will just put off the day when we must make the transition, and it will be even more difficult. The market will, indeed, signal the arrival of peak oil. To wait until it does,

however, is like waiting until we see a tsunami: by then it may be too late to do anything.

We now are doing a lot of talking here in the Congress and fortunately across the country about Social Security, and it is a big problem. But I tell the Members if the problem of Social Security is equivalent to the tidal wave produced by the hurricane, then this peak oil problem is equivalent to the tsunami. The impact and the consequences are going to be enormously greater than the impact and the consequences of Social Security or Medicare or those two put together.

□ 2030

It will take a sustained, conscious, coordinated national and even international, effort. If everybody is not working together and buying time by conserving and being efficient and using wisely that time we bought, then all we do is put off the inevitable.

The hydroelectric and nuclear power industries did not arise spontaneously from market forces alone. They were the product of a purposeful partnership of public and private entities focused on the public good. This is what we have to do relative to alternatives.

As I mentioned, California solved their energy crisis by voluntarily reducing their demand for electricity. Time, capital and energy resources are all finite. We have only so much time until it would be too late to avoid a real problem. Capital is limited and energy resources are certainly limited.

This time it will not be like the seventies. The big difference between now and the seventies is that in the seventies, we were just going up this curve, we were nowhere near the top of the curve, so there was always the ability to expand, to surge. If, in fact, we are now at peak oil, there is no such ability remaining.

Is there any reason to remain optimistic or hopeful? Let me go back to Matt Savinar, that not-too-optimistic journalist. "If what you mean is there any way technology or the market or brilliant scientists or comprehensive government programs are going to hold things together or solve this for me or allow for business to continue as usual, the answer is no. On the other hand, if what you really mean is is there any way that I still can have a happy, fulfilling life, in spite of some clearly grim facts, the answer is yes. But it is going to require a lot of work, a lot of adjustments, and probably a bit of good fortune on your part."

What now? Well, what we need to do now clearly is to buy time, and we buy that, as I mentioned, with efficiency and conservation. This will keep energy prices affordable. If demand continues to increase and output cannot increase, energy prices are going through the ceiling.

So we have got to reduce demand so that prices do not get so high that it is impossible to invest the capital necessary to develop the alternatives,

using existing conventional technologies to make the transition as new technologies are developed.

We must use it wisely. If we do not use it wisely, and I have talked about Jevons Paradox several times, we have got to make investments in efficient, sustainable technologies, further reduce requirements for energy in any form, making smaller systems feasible which reduce both initial and operating costs.

The benefits are enormous. Additional benefits include business opportunities, lots of business opportunities we do not even dream of. Look at the business opportunities created by putting a man on the moon. I have 200-some companies in Maryland alone which are there only because of technology breakthroughs in putting a man on the moon.

That same thing could happen if we had a Manhattan type project focusing on renewables, potential worldwide markets, if we are the leader, and we have every reason to be the leader because we have the biggest problem. We can develop worldwide markets, domestic job creation and environmentally benign technologies with potential to reduce and/or eliminate pollution. We could be a real role model.

We are, as I mentioned, less than 5 percent of the world's population, and we use 25 percent of the world's energy. I was in Europe a month or so ago, and their comment was somewhere between anger and disdain. "You are still only paying \$2 a gallon for gasoline in your country." It is \$5.50 or \$6.00 a gallon there. And they are not unmindful that this one person in 22 in the world is using 25 percent of the world's energy. We have a real opportunity to be a role model.

Let me put up the last chart. This is potential alternative solutions. For what time we have remaining, let me ask my colleague, the gentleman from Maryland (Mr. GILCHREST) to join us as we talk about this.

I have only have some of the potential solutions here. I just want to go down this list and look at these. There may be some others. The gentleman mentioned hydrogen from the ocean. That is certainly one.

There are some finite resources here, ones we have not maximally exploited here, and some renewable resources here, and we want to spend another whole hour talking about this, because there are a lot of things to talk about in these resources. But almost none of these have the density of energy that we find in fossil fuels.

There are tar sands in Canada, there is oil shale in this country, but it takes an awful lot of energy to get energy out of those. You may not have much more than a one-and-a-half to one. I have heard it takes six barrels of oil to get one net barrel of oil out of these tar sands and oil shale. There is an awful lot there, but there are considerable environmental costs and enormous economic costs to develop it.

Mr. GILCHREST. If the gentleman will yield, another analogy I heard re-

cently about the efforts to bring out ever-increasing and diminishing oil reserves and how that simply is not going to work for sustaining our energy needs, this particular physicist gave an analogy that compared the oil to a lion in Africa taking the energy of catching two gazelles to catch one gazelle. How long would that lion last? It takes the energy of catching two gazelles to only catch one, but he needs it to sustain himself, and that simply is not going to work.

I want to compliment the gentleman from Maryland, and I would like to be a part of the extra hour that we will do maybe this week to show what the alternatives are, simply because our energy requirements are increasing, they are not decreasing, and they will continue to increase.

Political parties are not going to let the grid go cold, but what do we do when we rely on oil and natural gas as the predominant energy source for this country? We have to simply find alternatives.

If I could just say briefly, there are two problems with our dependence on oil, and the gentleman has laid those out exceptionally well tonight. Part of the first problem is trade deficits and national security because of our oil dependence. When the price goes up, because we do not have most of the reserves, when oil peaks, we have no control over that. There will never be a decrease in demand. There will always be an increase in demand, no matter what happens, and our energy hunger is gargantuan.

The other problem with our oil dependence is that we are burning fossil fuel. We are returning to the atmosphere carbon that has not been there in this amount for millions of years, and what we are burning in decades it took the natural processes millions of years to lock away.

One other comment about letting the market forces deal with this fairly eminent problem. The global marketplace deals with the CEOs that are rightly so in the business to make a quick profit. The international marketplace is when nations get together, discuss an issue and they find mutual benefit to these vast problems. Vast solutions are available through what the gentleman has described so well tonight.

Mr. BARTLETT of Maryland. Mr. Speaker, reclaiming my time, of course the real challenge is to have everybody agree on what the facts are. I suspect a big percentage of the people that might read or listen to what we say this evening had not even heard of peak oil.

We really had about 30 years warning that this was going to happen. When M. King Hubbert predicted oil would peak in this country in 1970 and it did, and 5 years later, certainly by 10 years later we knew absolutely he was right, because we were well down on the curve 10 years later, we should have had some hint that he probably was right, he and Colin Campbell were probably right about world production? We paid no attention to that.

As a matter of fact, the people that were talking about this until very recently have been quickly relegated to the lunatic fringe. If I had been up here 3 or 4 years ago talking about this, someone may want to relegate the two of us this evening to the lunatic fringe.

But I think the evidence is out there. I think the evidence is out there, and the marketplace is saying that it is out there, because oil is now at \$54 or \$55 a barrel, they are saying we are going to see \$60 before we see \$50. I saw one future that was \$100 a barrel.

By the way, at \$100 or \$200 a barrel, tar sands and oil shale become somewhat competitive, but with enormous costs. They will be positive, we will get a little more out than we put in, but not the kind of energy we are now using.

Coal, we have a lot of coal. China has a lot of coal. We now use coal primarily in this country for producing electricity. It is very dirty. Our environmental requirements now, there has not been a new coal plant in a long while, it is all natural gas. It is a real pity. Oil and natural gas are, in a very real sense, too good to burn. They are the feedstock for an enormous petrochemical industry. I mentioned only the fertilizer that grows our crops and the pesticides we make from oil. We live in a plastic world, and all of that plastic is made from oil.

Now, it is true that you can also use biomass and so forth to do some of that, but let us remember that we are just on the verge of not being able to feed the world. Tonight about one-fifth of the world will go to bed hungry. We are not going to bed hungry in this country, not by a long shot, and we are living very high on the food chain. The time will come when you will not be able to eat the pig that ate the corn, because there is at least 10 times as much energy in the corn that the pig ate as you are going to get out of the pig by eating him. So we can certainly do a lot of by living lower on the food chain.

Mr. GILCHREST. If the gentleman would yield for a second, first of all, I want to compliment the gentleman on this fascinating factual presentation which leads me to what I want to say.

The gentleman said something earlier about finding solutions to the problem is going to be similar to the Manhattan Project or similar to placing a man on the moon within a decade when President Kennedy made that statement, and it is that kind of leadership from this Congress, from the administration, to incentivize, to create the kind of inspiration from the general public, to put these forces together to make it all work.

Mr. BARTLETT of Maryland. Mr. Speaker, reclaiming my time, but now we must do it on a global basis, because of Jevons Paradox, if all the world does not cooperate, we will not get there. Had we

paid attention to M. King Hubbert and not relegated him to the lunatic fringe, and he was right as evidence indicates on his prediction from 1970, had we paid attention to him we would have had at least 20 years headstart, and then we could have done it alone in this country because we are so big and use so much of the world's energy.

Before we leave coal, we are going to come back to this and spend another hour with a lot of detail on this, but someone said there are 500 years of coal, that is not true there is maybe 250, at present use rates. But as oil becomes harder and harder to find, we are going to turn more and more to coal, and that 70 years with enormous environmental penalty will shortly become a relatively few years. That is not forever. But we will be leaning on coal more than in the past nuclear.

Three ways we can get nuclear energy. For one of them we are home free, and that is fusion. We send a little less than \$300 million a year on that. I would like to spend more if there was the infrastructure out there to support it, because if we get there, we are home free.

But I kind of think that hoping to solve our energy problems with fusion is a bit like you or me hoping to solve our personal financial problems by winning the lottery. That would be real nice. I think the odds are somewhere near the same. I am about as likely to win the lottery as we are to come to economically feasible fusion.

I hope I am wrong. Frequently my hopes and my anticipations are different. My anticipation is we are not going to get there because of the enormous engineering challenges. My hope is I am wrong and we are going to get there.

Two other ways to get energy from nuclear. One is the light water reactor, which is all we have in this country. By the way, tonight when you go home, every fifth home and every fifth business would be dark if we did not have nuclear. It produces 20 percent of all of our electricity. But there is not all that much fissionable uranium in the world, so we are not going to get there with light water reactors.

France produces about 80 percent of its electricity from nuclear. They have a lot of breeder reactors. They do what the name implies, they make more fuel than they use, with big problems, in enrichment, shipping it around, squirreling away the products for a quarter of a million years. That presents enormous challenges to us.

So there is the potential here in nuclear, but a lot of problems involved with it. It is not just that simple. By the way, it takes a lot of oil to build a nuclear power plant.

□ 2045

At some point, you pass the point of no return where there is not enough readily available high-quality fossil fuels to support our present economy while we make the investment we have

got to make to transition to these renewables. And then we come to true renewables: solar, wind, geothermal, ocean energy. All of these suffer.

By the way, I am a big supporter of these. I had the first hybrid electric car in Maryland. I had the first one in the Congress. I have a vacation home that is off the grid and totally powered by solar. And I am going to put in a wind machine. I am a big supporter of this.

But the energy density here is very low. And it is intermittent. It takes a lot of solar panels to produce the electricity that you use in your home. It takes 12 of them to power your ordinary refrigerator just as an example. So those are real potential, and they are growing. Wind machines now produce electricity at 3½ cents a kilowatt hour. That is getting competitive. A whole lot of them in California. They are in West Virginia. We are putting some up on Backbone Mountain in western Maryland.

Boy, if we could get down there to geothermal we would have it, would we not?

There is not a single chimney in Iceland because they do not need them. They have got geothermal. They have a little bit of it in the West. But for most of the world that molten core is far too deep for us to tap.

Mr. GILCHREST. If the gentleman would yield just for a second, I am sure he knows, but the general public, I do not think realizes it is not necessary to be sitting right on top of a volcanic area, an earthquake zone to get geothermal energy. We on the Eastern Shore of Maryland have a number of schools that are actually providing heat for those schools from geothermal energy. Some of these things are sort of a hidden secret. But it is the classical conventional wisdom that keeps us from exploring some of these things a little bit further. And I think the gentleman is bringing those out tonight.

Mr. BARTLETT of Maryland. Is this tying the school to the molten core, or is it simply using a heat pump and exchanging, not with the air? What you are trying to do in the winter-time is cool the air and what you are trying to do in the summer time is heat the air.

Mr. GILCHREST. It is actually bringing water up from the surface, from the subsurface. The water is much warmer further down.

Mr. BARTLETT of Maryland. It is indeed. But you still have to have energy to use that. You are much more efficient using a heat pump that is tied to the ground, to groundwater than it is to the cold air in the winter and the hot air in the summer. If you are thinking about what you are trying to do is to cool the cold air in the winter time and to heat the hot air in the summertime. And obviously ground water is very much better in both seasons than either the air in the winter or the cold, the hot air in the summer or the cold air in the winter.

Ocean energy. You know, it takes an enormous amount of energy to lift the

ocean 2 feet. That is roughly what the Moon does in the tides, is it not? But the problem with that is energy density.

There is an old adage that says what is everybody's business is nobody's business. And the corollary to that in energy is if it is too widely distributed, you probably cannot make much of it. And we have really tried to harness the tides. In some fjords in Norway where they have 60-foot tides you put a bar there, when it runs in you trap it and then you run it out through a turbine. When it is running out, you can get some energy from it. And there is potential there, a lot of potential energy. But you know it is very dispersed. We have a hard time capturing that energy.

I suspect that our hour is about up, and this is maybe a good place to end. We are going to come back and spend another hour looking at agriculture, enormous opportunities from agriculture. But let me remind the gentleman that we are just barely able to feed the world now. And if we start taking all of this biomass off the field, what is going to happen to the tilth of our soil, to the organic matter in our soil, which is essential to the availability of nutrients in the soil by the plant. So there are lots of challenges here. There are lots of opportunities here. And we will spend another hour talking about them. Thank you very much. And I yield back, Mr. Speaker.

#### FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Mr. Monahan, one of its clerks, announced that the Senate has passed a bill of the following title in which the concurrence of the House is requested.

S. 256. An act to amend title 11 of the United States Code, and for other purposes.

#### REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 1268, EMERGENCY SUPPLEMENTAL APPROPRIATIONS ACT FOR DEFENSE, THE GLOBAL WAR ON TERROR, AND TSUNAMI RELIEF, 2005

Mr. COLE of Oklahoma (during the Special Order of Mr. BARTLETT of Maryland), from the Committee on Rules, submitted a privileged report (Rept. No. 109-18) on the resolution (H. Res. 151) providing for consideration of the bill (H.R. 1268) making emergency supplemental appropriations for the fiscal year ending September 30, 2005, and for other purposes, which was referred to the House Calendar and ordered to be printed.

#### LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. BECERRA (at the request of Ms. PELOSI) for today.

Mr. BOSWELL (at the request of Ms. PELOSI) for today on account of official business in the district.

Mr. CAPUANO (at the request of Ms. PELOSI) for today on account of business in the district.

Ms. KILPATRICK of Michigan (at the request of Ms. PELOSI) for today on account of district business.

Mrs. BLACKBURN (at the request of Mr. DELAY) for today on account of attending the funeral of her mother-in-law.

Mrs. EMERSON (at the request of Mr. DELAY) for today on account of personal reasons.

#### SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Ms. WOOLSEY) to revise and extend their remarks and include extraneous material:)

Mr. BROWN of Ohio, for 5 minutes, today.

Mr. DEFAZIO, for 5 minutes, today.

Mr. EMANUEL, for 5 minutes, today.

Ms. WOOLSEY, for 5 minutes, today.

(The following Members (at the request of Mr. JONES of North Carolina) to revise and extend their remarks and include extraneous material:)

Mr. OSBORNE, for 5 minutes, today.

Mrs. WILSON of New Mexico, for 5 minutes, today.

Mr. JONES of North Carolina, for 5 minutes, March 15, 16, and 17.

(The following Member (at his own request) to revise and extend his remarks and include extraneous material:)

Mr. GILCHREST, for 5 minutes, today.

#### ADJOURNMENT

Mr. GILCHREST. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 8 o'clock and 50 minutes p.m.), under its previous order, the House adjourned until tomorrow, Tuesday, March 15, 2005, at 9 a.m., for morning hour debates.

#### EXECUTIVE COMMUNICATIONS, ETC.

Under clause 8 of rule XII, executive communications were taken from the Speaker's table and referred as follows:

1139. A letter from the Chief, Regulations and Administrative Law, USCG, Department of Homeland Security, transmitting the Department's final rule — Safety Zone; Tennessee River Mile Marker 647.5 to Mile Marker 648.5, Knoxville, TN [COTP Paducah-04-012] (RIN: 1625-AA00) received February 10, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

1140. A letter from the Chief, Regulations and Administrative Law, USCG, Department of Homeland Security, transmitting the Department's final rule — Safety Zone; Upper Mississippi River Mile Marker 33.0 to Mile

Marker 35.0, Willard, IL [COTP Paducah-04-013] (RIN: 1625-AA00) received February 10, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

1141. A letter from the Chief, Regulations and Administrative Law, USCG, Department of Homeland Security, transmitting the Department's final rule — Safety Zone; Tennessee River Mile Marker 446.0 to Mile Marker 455.0, Chattanooga, TN [COTP Paducah-04-014] (RIN: 1625-AA00) received February 10, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

1142. A letter from the Chief, Regulations and Administrative Law, USCG, Department of Homeland Security, transmitting the Department's final rule — Safety Zone; Tennessee River Mile Marker 446.0 to Mile Marker 455.0, Chattanooga, TN [COTP Paducah-04-15] (RIN: 1625-AA00) received February 10, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

1143. A letter from the Chief, Regulations and Administrative Law, USCG, Department of Homeland Security, transmitting the Department's final rule — Safety Zone; Tennessee River Mile Marker 65.0 to Mile Marker 66.3, Paris Landing, TN [COTP Paducah-04-016] (RIN: 1625-AA00) received February 10, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

1144. A letter from the Chief, Regulations and Administrative Law, USCG, Department of Homeland Security, transmitting the Department's final rule — Safety Zone; Tennessee River Mile Marker 446.0 to Mile Marker 455.0, Chattanooga, TN [COTP Paducah-04-017] (RIN: 1625-AA00) received February 10, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

1145. A letter from the Chief, Regulations and Administrative Law, USCG, Department of Homeland Security, transmitting the Department's final rule — Safety Zone; Allegheny River Mile Marker 0.3 to Mile Marker 0.7, Pittsburgh, PA [COTP Pittsburgh-04-007] (RIN: 1625-AA00) received February 10, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

1146. A letter from the Chief, Regulations and Administrative Law, USCG, Department of Homeland Security, transmitting the Department's final rule — Safety Zone Regulation; Tampa Bay, FL. [COTP Tampa 04-135] (RIN: 1625-AA00) received February 10, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

1147. A letter from the Chief, Regulations and Administrative Law, USCG, Department of Homeland Security, transmitting the Department's final rule — Safety Zone Regulations; Tampa Bay, FL. [COTP Tampa 04-137] (RIN: 1625-AA00) received February 10, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

1148. A letter from the Chief, Regulations and Administrative Law, USCG, Department of Homeland Security, transmitting the Department's final rule — Safety Zone Regulation; Tampa Bay, FL. [COTP TAMPA 04-147] (RIN: 1625-AA00) received February 10, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

1149. A letter from the Chief, Regulations and Administrative Law, USCG, Department of Homeland Security, transmitting the Department's final rule — Safety Zone; Allegheny River Mile Marker 0.3 to Mile Marker 0.7, Pittsburgh, PA [COTP Pittsburgh-04-008]

(RIN: 1625-AA00) received February 10, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

1150. A letter from the Chief, Regulations and Administrative Law, USCG, Department of Homeland Security, transmitting the Department's final rule — Safety Zone; Ohio River Mile Marker 42.9 to Mile Marker 43.3, Chester, WV [COTP Pittsburgh-04-009] (RIN: 1625-AA00) received February 10, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

1151. A letter from the Chief, Regulations and Administrative Law, USCG, Department of Homeland Security, transmitting the Department's final rule — Safety Zone; Allegheny and Ohio Rivers, Pittsburgh, PA [COTP Pittsburgh-04-011] (RIN: 1625-AA00) received February 10, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

1152. A letter from the Chief, Regulations and Administrative Law, USCG, Department of Homeland Security, transmitting the Department's final rule — Safety Zone; Allegheny River Mile Marker 0.0 to Mile Marker 0.9, Pittsburgh, PA [COTP Pittsburgh-04-012] (RIN: 1625-AA00) received February 10, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

1153. A letter from the Chief, Regulations and Administrative Law, USCG, Department of Homeland Security, transmitting the Department's final rule — Safety Zone; Allegheny River Mile Marker 0.3 to Mile Marker 0.7, Pittsburgh, PA [COTP Pittsburgh-04-013] (RIN: 1625-AA00) received February 10, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

1154. A letter from the Chief, Regulations and Administrative Law, USCG, Department of Homeland Security, transmitting the Department's final rule — Safety Zone; Ohio River Mile Marker 25.0 to Mile Marker 26.0, Rochester, PA [COTP Pittsburgh-04-016] (RIN: 1625-AA00) received February 10, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

1155. A letter from the Chief, Regulations and Administrative Law, USCG, Department of Homeland Security, transmitting the Department's final rule — Safety Zone; Ohio River Mile Marker 90.2 to Mile Marker 90.6, Wheeling, WV [COTP Pittsburgh-04-017] (RIN: 1625-AA00) received February 10, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

1156. A letter from the Chief, Regulations and Administrative Law, USCG, Department of Homeland Security, transmitting the Department's final rule — Safety Zone; Ohio River Mile Marker 90.0 to Mile Marker 90.5, Wheeling, WV [COTP Pittsburgh-04-018] (RIN: 1625-AA00) received February 10, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

1157. A letter from the Chief, Regulations and Administrative Law, USCG, Department of Homeland Security, transmitting the Department's final rule — Safety Zone; Allegheny River Mile Marker 0.3 to Mile Marker 0.8, Pittsburgh, PA [COTP Pittsburgh-04-019] (RIN: 1625-AA00) received February 10, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

1158. A letter from the Chief, Regulations and Administrative Law, USCG, Department of Homeland Security, transmitting the Department's final rule — Safety Zone; Ohio River Mile Marker 0.1 to Mile Marker 0.5, Pittsburgh, PA [COTP Pittsburgh-04-024] (RIN: 1625-AA00) received February 10, 2005,

pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

#### REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

*[Pursuant to the order of the House on March 10, 2005 the following report was filed on March 11, 2005]*

Mr. LEWIS of California: Committee on Appropriations. H.R. 1268. A bill making emergency supplemental appropriations for the fiscal year ending September 30, 2005, and for other purposes (Rept. 109-16). Referred to the Committee of the Whole House on the State of the Union.

Mr. NUSSLE: Committee on the Budget. House Concurrent Resolution 95. Resolution establishing the congressional budget for the United States Government for fiscal year 2006, revising appropriate budgetary levels for fiscal year 2005, and setting forth appropriate budgetary levels for fiscal years 2007 through 2010. (Rept. 109-17). Referred to the Committee of the Whole House on the State of the Union.

*[Filed on March 14, 2004]*

Mr. COLE: Committee on Rules. House Resolution 151. Resolution providing for consideration of the bill (H.R. 1268) making emergency supplemental appropriations for the fiscal year ending September 30, 2005, and for other purposes (Rept. 109-18). Referred to the House Calendar.

#### PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XII, public bills and resolutions were introduced and severally referred, as follows:

By Mr. CONYERS:

H.R. 1269. A bill to amend the Toxic Substances Control Act, the Internal Revenue Code of 1986, and the Public Buildings Act of 1959 to protect human health from toxic mold, and for other purposes; to the Committee on Energy and Commerce, and in addition to the Committees on Financial Services, Ways and Means, and the Judiciary, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. THOMAS:

H.R. 1270. A bill to amend the Internal Revenue Code of 1986 to extend the Leaking Underground Storage Tank Trust Fund financing rate; to the Committee on Ways and Means.

By Mr. TOM DAVIS of Virginia:

H.R. 1271. A bill to repeal a provision relating to privacy officers in the Consolidated Appropriations Act, 2005; to the Committee on Government Reform.

By Mr. WELLER (for himself, Mr. RANGEL, and Mr. ENGLISH of Pennsylvania):

H.R. 1272. A bill to amend the Internal Revenue Code of 1986 to modify the work opportunity credit and the welfare-to-work credit; to the Committee on Ways and Means.

By Mr. KIND (for himself and Mr. KIRK):

H.R. 1273. A bill to require any amounts remaining in a Member's Representational Allowance at the end of a fiscal year to be deposited in the Treasury and used for deficit reduction or to reduce the Federal debt; to the Committee on House Administration.

By Mr. BAIRD:

H.R. 1274. A bill to suspend temporarily the duty on amyl-antraquinone; to the Committee on Ways and Means.

By Ms. BALDWIN (for herself, Mr. VAN HOLLEN, Ms. WOOLSEY, and Mr. SNYDER):

H.R. 1275. A bill to amend the Internal Revenue Code of 1986 to increase the amount which may be excluded from the gross income of an employee for dependent care assistance with respect to dependent care services provided during a taxable year, to adjust such amount each year by the rate of inflation for such year, and for other purposes; to the Committee on Ways and Means.

By Ms. BERKLEY (for herself and Mr. VISCLOSKEY):

H.R. 1276. A bill to amend title 5, United States Code, to make creditable for civil service retirement purposes certain periods of service performed with Air America, Incorporated, Air Asia Company Limited, or the Pacific Division of Southern Air Transport, Incorporated, while those entities were owned or controlled by the Government of the United States and operated or managed by the Central Intelligence Agency; to the Committee on Government Reform.

By Mr. EMANUEL (for himself, Mr. GEORGE MILLER of California, Mr. RYAN of Ohio, Mr. BISHOP of New York, Mr. TIERNEY, Mr. LYNCH, Mr. HOLT, Mr. CUMMINGS, Mr. DELAHUNT, Mr. BROWN of Ohio, Ms. SOLIS, Mr. GRIJALVA, Mr. MCDERMOTT, Mr. HINCHEY, Ms. WATSON, Mr. FILNER, Mr. OWENS, Mr. COSTELLO, Mr. MCGOVERN, Mr. McNULTY, Mr. SKELTON, Mr. JEFFERSON, Mr. SCOTT of Georgia, Mr. HINOJOSA, Mr. PAYNE, Mr. DEFazio, Mr. ETHERIDGE, Mr. ISRAEL, Mr. PALLONE, Ms. SLAUGHTER, Mr. NEAL of Massachusetts, Mr. SANDERS, Ms. LINDA T. SANCHEZ of California, and Mr. FORD):

H.R. 1277. A bill to expand college opportunities by significantly simplifying the Federal student aid application process; to the Committee on Education and the Workforce.

By Mr. EMANUEL (for himself, Mr. DELAHUNT, Mr. WATT, and Mr. CONYERS):

H.R. 1278. A bill to amend title 11 of the United States Code to limit the exemption for asset protection trusts; to the Committee on the Judiciary.

By Mr. FORBES (for himself, Mr. WOLF, Mr. GOODLATTE, Mr. GOODE, Mrs. JO ANN DAVIS of Virginia, Mrs. DRAKE, Mr. TOM DAVIS of Virginia, and Mr. ALEXANDER):

H.R. 1279. A bill to amend title 18, United States Code, to reduce violent gang crime and protect law-abiding citizens and communities from violent criminals, and for other purposes; to the Committee on the Judiciary.

By Mr. GENE GREEN of Texas (for himself and Mr. GONZALEZ):

H.R. 1280. A bill to amend part C of title XVIII of the Social Security Act to prohibit the operation of the Medicare Comparative Cost Adjustment (CCA) program in Texas; to the Committee on Energy and Commerce, and in addition to the Committee on Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. KING of New York (for himself and Mrs. CHRISTENSEN):

H.R. 1281. A bill to amend the Trade Act of 1974 to extend trade adjustment assistance to certain service workers; to the Committee on Ways and Means.

By Mrs. MCCARTHY (for herself and Ms. PRYCE of Ohio):

H.R. 1282. A bill to provide for Project GRAD programs, and for other purposes; to the Committee on Education and the Workforce.

By Mr. MORAN of Virginia (for himself, Mr. VAN HOLLEN, Ms. NORTON, Mr. BLUMENAUER, Mr. WOLF, Mr. WYNN, and Mr. HOYER):

H.R. 1283. A bill to provide that transit pass transportation fringe benefits be made available to all qualified Federal employees in the National Capital Region; to allow passenger carriers which are owned or leased by the Government to be used to transport Government employees between their place of employment and mass transit facilities, and for other purposes; to the Committee on Government Reform.

By Mr. RENZI:

H.R. 1284. A bill to authorize the placement of an equestrian statue depicting frontiersman, explorer, and missionary Jacob Hamblin on the grounds of the Forest Service Kaibab Plateau Visitor Center in Jacob Lake, Arizona, and for other purposes; to the Committee on Resources.

By Mr. RUSH:

H.R. 1285. A bill to amend the Nursing Relief for Disadvantaged Areas Act of 1999 to remove the limitation for nonimmigrant classification for nurses in health professional shortage areas; to the Committee on the Judiciary.

By Mr. SHADEGG:

H.R. 1286. A bill to amend title XI of the Social Security Act to include additional information in Social Security account statements; to the Committee on Ways and Means.

By Mr. SHIMKUS:

H.R. 1287. A bill to designate the facility of the United States Postal Service located at 332 South Main Street in Flora, Illinois, as the "Robert T. Ferguson Post Office Building"; to the Committee on Government Reform.

By Mr. SOUDER (for himself, Mr. ROSS, Mr. WICKER, Mr. KING of Iowa, Mr. GINGREY, Mr. SESSIONS, Mr. DINGELL, Mr. KENNEDY of Minnesota, Mr. SHUSTER, Mr. WILSON of South Carolina, Mr. KLINE, Mr. SALAZAR, Mr. BEAUPREZ, Mr. BOOZMAN, Mr. GRAVES, Mr. CRAMER, Mr. AKIN, Mr. MATHESON, Mr. DENT, Mr. WESTMORELAND, Mr. BUYER, and Mr. HOSTETTLER):

H.R. 1288. A bill to restore Second Amendment rights in the District of Columbia; to the Committee on Government Reform.

By Mr. SPRATT (for himself, Mr. BARRETT of South Carolina, Mr. BROWN of South Carolina, Mr. CLYBURN, Mr. INGLIS of South Carolina, and Mr. WILSON of South Carolina):

H.R. 1289. A bill to direct the Secretary of the Interior to conduct a study of the suitability and feasibility of establishing the Southern Campaign of the Revolution Heritage Area in South Carolina, and for other purposes; to the Committee on Resources.

By Mrs. WILSON of New Mexico (for herself, Mr. TOWNS, Mr. ABERCROMBIE, Mr. MEEKS of New York, Mr. DOGGETT, Mr. McNULTY, Mr. PAYNE, Mr. MCGOVERN, Ms. ROSLEHTINEN, Mr. OWENS, and Mr. BERMAN):

H.R. 1290. A bill to amend the Public Health Service Act to direct the Secretary of Health and Human Services to establish, promote, and support a comprehensive prevention, research, and medical management referral program for hepatitis C virus infection; to the Committee on Energy and Commerce.

By Mr. RUPPERSBERGER (for himself, Mr. TOM DAVIS of Virginia, Mr.

JONES of North Carolina, and Mr. HOYER):

H. Res. 152. A resolution expressing support for the members of the uniformed services and their families, particularly those wounded or severely injured in service to the Nation, and support for the newly established Military Severely Injured Joint Support Operations Center in the Office of the Secretary of Defense; to the Committee on Armed Services.

#### ADDITIONAL SPONSORS

Under clause 7 of rule XII, sponsors were added to public bills and resolutions as follows:

H.R. 8: Mr. LINDER, Mr. CUELLAR, Mr. BUTTERFIELD, Mr. WALSH, Mr. CARTER, Mr. BONNER, Mr. PETERSON of Pennsylvania, Mr. HEFLEY, Mr. KINGSTON, Mr. WELDON of Florida, Mr. HOSTETTLER, Mr. BROWN of South Carolina, Mr. NEUGEBAUER, and Mr. GINGREY.

H.R. 21: Mr. LEWIS of Kentucky and Mr. BERMAN.

H.R. 47: Mr. HOSTETTLER.

H.R. 64: Mr. LINCOLN DIAZ-BALART of Florida.

H.R. 68: Mr. DOGGETT.

H.R. 136: Mrs. MYRICK, Mr. BLUNT, Mr. SESSIONS, and Mr. GOODE.

H.R. 216: Mr. KING of Iowa and Mr. LINCOLN-DIAZ BALART of Florida.

H.R. 223: Mr. GREEN of Wisconsin.

H.R. 226: Mr. KENNEDY of Rhode Island.

H.R. 282: Mrs. MCCARTHY, Mr. BOOZMAN, Mr. CARDOZA, Mr. EDWARDS, Mr. COSTA, Mr. FERGUSON, and Mr. JINDAL.

H.R. 303: Mr. COSTELLO, Mr. HONDA, Mr. FARR, Mr. ALLEN, Mr. PALLONE, Ms. WASSERMAN SCHULTZ, and Mr. GARRETT of New Jersey.

H.R. 304: Mr. WILSON of South Carolina, Ms. WASSERMAN SCHULTZ, and Mr. GORDON.

H.R. 354: Mr. ANDREWS and Mr. JONES of North Carolina.

H.R. 389: Mr. PRICE of Georgia.

H.R. 421: Mr. PASTOR.

H.R. 426: Mr. WALSH.

H.R. 515: Ms. MCKINNEY, Mr. LOBIONDO, Mr. PAUL, Ms. LINDA T. SANCHEZ of California, Mr. ANDREWS, and Mr. HASTINGS of Florida.

H.R. 525: Mr. HALL, Mr. FORBES, Mr. FOSSELLA, and Mr. WELDON of Florida.

H.R. 534: Mr. CALVERT.

H.R. 551: Ms. SOLIS, Ms. WOOLSEY, Ms. MCKINNEY, and Ms. SCHAKOWSKY.

H.R. 556: Ms. MCCOLLUM of Minnesota, Ms. KILPATRICK of Michigan, Mrs. CHRISTENSEN, and Mr. REHBERG.

H.R. 559: Ms. SCHAKOWSKY.

H.R. 583: Mr. PASTOR, Mr. UDALL of Colorado, Mr. FERGUSON, Mr. SOUDER, Mr. HAYWORTH, Mr. CUNNINGHAM, and Mr. CASE.

H.R. 602: Ms. SCHAKOWSKY, Mr. WOLF, and Mr. SMITH of Washington.

H.R. 609: Mr. FORTUÑO.

H.R. 625: Mr. PAYNE and Mr. TIERNEY.

H.R. 626: Mr. HULSHOF.

H.R. 658: Mr. SOUDER and Mr. WOLF.

H.R. 682: Mr. CASE.

H.R. 689: Mr. BRADLEY of New Hampshire, Mr. RYUN of Kansas, Mr. STEARNS, Mr. WELLER, and Mr. KENNEDY of Minnesota.

H.R. 691: Ms. SLAUGHTER.

H.R. 692: Mr. BOOZMAN and Mr. FILNER.

H.R. 693: Mr. BRADY of Pennsylvania, Mr. BOUCHER, and Mr. BISHOP of Georgia.

H.R. 759: Mr. ANDREWS, Mr. LEWIS of Georgia, Mr. STARK, Mr. SANDERS, and Mr. CUMMINGS.

H.R. 768: Mr. LEWIS of Georgia, Mr. SHERMAN, and Mr. CROWLEY.

H.R. 783: Mr. GIBBONS.

H.R. 785: Mr. PUTNAM.

H.R. 790: Mr. BAIRD and Mr. OWENS.

H.R. 793: Mr. RUPPERSBERGER and Mr. ALXANDER.

H.R. 800: Mr. PUTNAM, Mrs. BONO, Mr. ROYCE, Mr. BOREN, and Mrs. MYRICK.

H.R. 808: Mr. MCINTYRE, Mrs. DAVIS of California, Mr. NORWOOD, Mr. WICKER, Mr. GOODE, Mr. CUMMINGS, Mr. PLATTS, Mrs. CAPITO, Mr. DEFAZIO, Mr. FORD, Mr. PALLONE, Mr. GALLEGLY and Ms. HARRIS.

H.R. 869: Mr. GORDON and Mr. DANIEL E. LUNGREN of California.

H.R. 871: Ms. MCCOLLUM of Minnesota.

H.R. 877: Mr. PALLONE.

H.R. 888: Mr. KING of Iowa.

H.R. 893: Ms. ZOE LOFGREN of California and Mr. LEWIS of Georgia.

H.R. 896: Mr. EHLERS.

H.R. 918: Mr. MCHENRY, Mr. CULBERSON, and Mr. BARRETT of South Carolina.

H.R. 920: Mr. WALSH.

H.R. 940: Mr. KLINE.

H.R. 944: Mr. SCOTT of Virginia, Mr. TANNER, and Mr. CHANDLER.

H.R. 945: Mr. LANTOS, Ms. JACKSON-LEE of Texas, and Ms. SCHAKOWSKY.

H.R. 946: Ms. JACKSON-LEE of Texas and Ms. SCHAKOWSKY.

H.R. 952: Mr. FARR, Ms. DELAURO, Mr. MCNULTY, and Mr. CAPUANO.

H.R. 968: Mr. WEXLER.

H.R. 976: Mr. CANNON.

H.R. 985: Mr. PORTMAN, Ms. HART, Mr. SMITH of New Jersey, Mr. WILSON of South Carolina, Mr. FALCOMA, Mr. GRUJALVA, Mr. HIGGINS, Mr. CHANDLER, Mr. MARCHANT, Mr. KANJORSKI, Mr. BEAUPREZ, Mr. MCNULTY, Mr. KOLBE, Mr. BERRY, Mr. WU, Mr. KILDEE, Mr. ETHERIDGE, Mr. CAPUANO, Mr. WELDON of Pennsylvania, Mr. ORTIZ, Mr. LANGEVIN, Mr. BLUMENAUER, and Mr. DEFAZIO.

H.R. 986: Mr. WEXLER.

H.R. 994: Mr. BOYD, Mr. SULLIVAN, Mr. NORWOOD, Mr. FARR, Mr. YOUNG of Florida, Mr. BOSWELL, Mr. PAUL, Mr. GENE GREEN of Texas, Mr. DICKS, Mr. LYNCH, Ms. HARRIS, Mr. OBERSTAR, Mr. SMITH of Washington, Mr. SAXTON, Mr. BRADY of Pennsylvania, Mr. SCOTT of Georgia, Mr. MCINTYRE, Mr. LOBIONDO, Mr. REYES, Mr. ROTHMAN, Mr. HASTINGS of Florida, Mr. DOOLITTLE, and Mr. BURTON of Indiana.

H.R. 1001: Mr. HALL, Mr. SMITH of Texas, and Ms. JACKSON-LEE of Texas.

H.R. 1002: Ms. BALDWIN and Ms. CARSON.

H.R. 1010: Mr. EMANUEL.

H.R. 1011: Mr. AL GREEN of Texas.

H.R. 1057: Mr. FOSSELLA.

H.R. 1078: Mr. PALLONE.

H.R. 1079: Mr. TAYLOR of Mississippi.

H.R. 1092: Mrs. MYRICK.

H.R. 1100: Mrs. MILLER of Michigan and Mr. OTTER.

H.R. 1104: Ms. DELAURO.

H.R. 1105: Mrs. CAPITO.

H.R. 1136: Mr. SHAYS and Mrs. MCCARTHY.

H.R. 1142: Mr. AKIN.

H.R. 1151: Mr. ROGERS of Kentucky, Mr. CRAMER, Mr. MCCAUL of Texas, Mr. NUSSLE, Mr. LUCAS, Mr. KINGSTON, Mr. FERGUSON, Mr. MELANCON, Mrs. MILLER of Michigan, Mr. SESSIONS, Mr. SAXTON, Mr. GIBBONS, and Mr. KILDEE.

H.R. 1155: Ms. SCHAKOWSKY and Ms. ROYBAL-ALLARD.

H.R. 1184: Ms. WOOLSEY, Mr. BUTTERFIELD, Mr. MCNULTY, Mr. LEWIS of Georgia, and Mr. ANDREWS.

H.R. 1214: Mr. OLVER, Mr. HOLT, Ms. EDDIE BERNICE JOHNSON of Texas, Ms. CARSON, Ms. WASSERMAN SCHULTZ, and Mr. KUCINICH.

H.R. 1226: Mrs. MCCARTHY and Mr. SESSIONS.

H.R. 1227: Mrs. EMERSON, Mr. PALLONE, Mr. HOLT, Mr. CASE, Mr. CHANDLER, Mr. BROWN of Ohio, and Mr. BASS.

H.R. 1243: Mr. MILLER of Florida and Mr. HERGER.

H.R. 1245: Ms. HART, Ms. BEAN, Mr. BROWN of South Carolina, Mr. JENKINS, Mr. WYNN, Mr. KNOLLENBERG, Mr. KENNEDY of Rhode Island, and Ms. MCCOLLUM of Minnesota.

H.R. 1249: Mr. CARNAHAN, Mr. BISHOP of Georgia, Mr. SMITH of Washington, Ms. BERKLEY, Mr. MCGOVERN, Mr. ROSS, Mr. DINGELL, Mr. LEVIN, Ms. MILLENDER-MCDONALD, Mr. STRICKLAND, Mr. FORD, and Mr. LIPINSKI.

H.R. 1263: Mr. BOUCHER.

H.J. Res. 23: Mrs. WILSON of New Mexico, Mr. COSTA, Mr. Brown of Ohio, and Mr. DEFAZIO.

H. Con. Res. 85: Mr. MCCAUL of Texas.

H. Con. Res. 88: Mr. KUCINICH.

H. Res. 20: Mr. CONAWAY, Ms. FOX, Mr. GOODLATTE, Mr. GORDON, and Mrs. MILLER of Michigan.

H. Res. 84: Mrs. MUSGRAVE and Mrs. JOHNSON of Connecticut.

H. Res. 90: Mr. KUCINICH, Mr. BUTTERFIELD, and Ms. SCHAKOWSKY.

H. Res. 101: Mr. OWENS, Mr. GORDON, Mr. BLUNT, and Mr. ROTHMAN.

H. Res. 116: Mr. ROTHMAN and Mr. SKELTON.

H. Res. 120: Ms. SCHAKOWSKY, Mr. BUTTERFIELD, Mr. KILDEE, and Mr. NEUGEBAUER.

H. Res. 123: Ms. ESHOO.

H. Res. 131: Mr. BARROW, Mrs. CHRISTENSEN, Ms. LINDA T. SANCHEZ of California, Mr. BERRY, Mr. CRAMER, Mr. FATTAH, Mr. HOLDEN, Ms. JACKSON-LEE of Texas, Mr. SABO, Mr. VISCOLOSKY, Mr. ALLEN, Mr. MICHAUD, Mr. DAVIS of Tennessee, Ms. BALDWIN, Ms. BEAN, Mr. BOREN, Mr. BOYD, Ms. CORRINE BROWN of Florida, Mr. BROWN of Ohio, Mr. CARNAHAN, Ms. CARSON, Mr. CLAY, Mr. CLYBURN, Mr. DAVIS of Alabama, Mr. DAVIS of Illinois, Mr. DAVIS of Florida, Ms. DEGETTE, Mr. EDWARDS, Mr. EMANUEL, Ms. ESHOO, Mr. FILNER, Mr. FORD, Mr. GONZALEZ, Mr. GORDON, Mr. AL GREEN of Texas, Mr. GUTIERREZ, Mr. HIGGINS, Mr. HINOJOSA, Mr. ISRAEL, Mr. KUCINICH, Mr. LEVIN, Mr. LEWIS of Georgia, Mr. LIPINSKI, Mr. LYNCH, Mr. MARKEY, Mr. MARSHALL, Mr. MATHESON, Ms. MCCOLLUM of Minnesota, Mr. MEEKS of New York, Mr. MELANCON, Ms. MILLENDER-MCDONALD, Ms. MOORE of Wisconsin, Mrs. NAPOLITANO, Mr. OWENS, Mr. PALLONE, Mr. PETERSON of Minnesota, Mr. RANGEL, Mr. REYES, Mr. ROSS, Mr. ROTHMAN, Mr. RUPPERSBERGER, Mr. RUSH, Mr. SALAZAR, Ms. LORETTA SANCHEZ of California, Ms. SCHWARTZ of Pennsylvania, Mr. SERRANO, Mr. SKELTON, Mr. SPRATT, Mr. STARK, Mr. STRICKLAND, Mr. THOMPSON of California, Mr. TIERNEY, Ms. VELÁZQUEZ, Ms. WASSERMAN SCHULTZ, Ms. WATERS, Mr. WEINER, Mr. WEXLER, and Mr. WU.

H. Res. 135: Mr. BISHOP of Utah, Mr. BLUNT, Mr. SNYDER, Mr. THOMAS, and Mr. MCCOTTER.

#### AMENDMENTS

Under clause 8 of rule XVIII, proposed amendments were submitted as follows:

H.R. 1268

OFFERED BY: Mr. BLUMENAUER

AMENDMENT NO. 1: At the end of the bill (before the short title), insert the following:

#### TITLE VII—ADDITIONAL GENERAL PROVISIONS

SEC. 7001. None of the funds appropriated in this Act shall be available for the torture of any person who is imprisoned, detained, or otherwise held in the custody of, a department, agency, or official of the United States Government, or any contractor of any such department or agency.

H.R. 1268

OFFERED BY: Mr. BLUMENAUER

AMENDMENT NO. 2: At the end of the bill (before the short title), insert the following:

TITLE VII—ADDITIONAL GENERAL PROVISIONS

SEC. 7001. None of the funds appropriated in this Act shall be available for—

(1) the torture of any person who is imprisoned, detained, or otherwise held in the custody of, a department, agency, or official of the United States Government, or any contractor of any such department or agency; or

(2) the involuntary return of any person to a country in which there are substantial grounds for believing the person would be in danger of being subjected to torture, regardless of whether the person is physically present in the United States, pursuant to section 1242 of the Foreign Affairs Reform and Restructuring Act of 1998.

H.R. 1268

OFFERED BY: Ms. JACKSON-LEE OF TEXAS

AMENDMENT NO. 3: Page 46, after line 20, insert the following:

IMMIGRATION AND CUSTOMS ENFORCEMENT SALARIES AND EXPENSES

For an additional amount for “Salaries and Expenses”, hereby derived from the amount provided in this Act for “UNITED STATES COAST GUARD—OPERATING EXPENSES”, \$40,000,000.

H.R. 1268

OFFERED BY: MR. LANTOS

AMENDMENT NO. 4: Add at the end (before the short title) the following new title:

TITLE VII—HOPE AT HOME ACT

SEC. 701. SHORT TITLE.

This title may be cited as the “Help Our Patriotic Employers at Helping Our Military Employees Act” or the “HOPE at HOME Act”.

SEC. 702. NONREDUCTION IN PAY WHILE FEDERAL EMPLOYEE IS SERVING ON ACTIVE DUTY IN A RESERVE COMPONENT OF THE UNIFORMED SERVICES.

(a) IN GENERAL.—Subchapter IV of chapter 55 of title 5, United States Code, is amended by adding at the end the following new section:

“§ 5538. Nonreduction in pay while serving on active duty in a reserve component

“(a) An employee who is also a member of a reserve component and is absent from a position of employment with the Federal Government under a call or order to serve on active duty for a period of more than 30 days shall be entitled to receive, for each pay period described in subsection (b), an amount equal to the difference (if any) between—

“(1) the amount of civilian basic pay that would otherwise have been payable to the employee for such pay period if the employee’s civilian employment with the Government had not been interrupted by the service on active duty; and

“(2) the amount of military compensation that is payable to the employee for the service on active duty and is allocable to such pay period.

“(b)(1) Amounts under this section shall be payable with respect to each pay period (which would otherwise apply if the employee’s civilian employment had not been interrupted) that occurs—

“(A) while the employee serves on active duty for a period of more than 30 days;

“(B) while the employee is hospitalized for, or convalescing from, an illness or injury incurred in, or aggravated during, the performance of such active duty; or

“(C) during the 14-day period beginning at the end of such active duty or the end of the period referred to in subparagraph (B).

“(2) Paragraph (1) shall not apply with respect to a pay period for which the employee receives civilian basic pay (including by tak-

ing any annual, military, or other paid leave) to which the employee is entitled by virtue of the employee’s civilian employment with the Government.

“(c) Any amount payable under this section to an employee shall be paid—

“(1) by the employing agency of the employee;

“(2) from the appropriations or fund that would be used to pay the employee if the employee were in a pay status; and

“(3) to the extent practicable, at the same time and in the same manner as would civilian basic pay if the employee’s civilian employment had not been interrupted.

“(d) In consultation with Secretary of Defense, the Office of Personnel Management shall prescribe such regulations as may be necessary to carry out this section.

“(e) In consultation with the Office of Personnel Management, the head of each employing agency shall prescribe procedures to ensure that the rights under this section apply to the employees of such agency. In consultation with the Office of Personnel Management, the Administrator of the Federal Aviation Administration shall prescribe procedures to ensure that the rights under this section apply to the employees of that agency.

“(f) IN THIS SECTION:

“(1) The terms ‘active duty for a period of more than 30 days’, ‘member’, and ‘reserve component’ have the meanings given such terms in section 101 of title 37.

“(2) The term ‘civilian basic pay’, with respect to an employee, includes any amount payable under section 5304 of this title or under such other law providing for the compensation of the employee by the employing agency for work performed.

“(3) The term ‘employing agency’, as used with respect to an employee entitled to any payments under this section, means the agency with respect to which the employee has reemployment rights under chapter 43 of title 38. The term ‘agency’ has the meaning given such term in subparagraph (C) of section 2302(a)(2) of this title, except that the term includes Government corporations and agencies excluded by clause (i) or (ii) of such subparagraph.

“(4) The term ‘military compensation’ has the meaning given the term ‘pay’ in section 101(21) of title 37, except that the term includes allowances under chapter 7 of such title.”.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 55 of title 5, is amended by inserting after the item relating to section 5537 the following new item:

“5538. Nonreduction in pay while serving on active duty in a reserve component.”.

(c) APPLICATION OF AMENDMENT.—Section 5538 of title 5, United States Code, as added by subsection (a), shall apply with respect to pay periods (as described in subsection (b) of such section) beginning on or after the date of the enactment of this Act.

SEC. 703. ACTIVE-DUTY RESERVE COMPONENT EMPLOYEE CREDIT ADDED TO GENERAL BUSINESS CREDIT.

(a) ADDITION OF CREDIT.—Subpart D of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 (relating to business-related credits) is amended by adding at the end the following new section:

“SEC. 45J. ACTIVE-DUTY RESERVE COMPONENT EMPLOYEE CREDIT.

“(a) GENERAL RULE.—For purposes of section 38, the Ready Reserve-National Guard employee credit determined under this section for any taxable year with respect to each Ready Reserve-National Guard employee of an employer is an amount equal to the lesser of—

“(1) 50 percent of the actual compensation amount paid with respect to such Ready Reserve-National Guard employee for such taxable year while the employee is absent from employment for a reason described in subsection (b); or

“(2) \$30,000.

“(b) COVERED PAY PERIODS.—Subsection (a) shall apply with respect to a Ready Reserve-National Guard employee—

“(1) while the employee serves on active duty for a period of more than 30 days;

“(2) while the employee is hospitalized for, or convalescing from, an illness or injury incurred in, or aggravated during, the performance of such active duty; or

“(3) during the 14-day period beginning at the end of such active duty or the end of the period referred to in subparagraph (B).

“(c) LIMITATION.—No credit shall be allowed under subsection (a) with respect to a Ready Reserve-National Guard employee on any day on which the employee was not scheduled to work (for a reason other than such service on active duty) and ordinarily would not have worked.

“(d) PORTION OF CREDIT REFUNDABLE.—

“(1) IN GENERAL.—In the case of an employer described in paragraph (2), the aggregate credits allowed to a taxpayer under subpart C shall be increased by the lesser of—

“(A) the credit which would be allowed under this section without regard to this subsection and the limitation under section 38(c), or

“(B) the amount by which the aggregate amount of credits allowed by this subpart (determined without regard to this subsection) would increase if the limitation imposed by section 38(c) for any taxable year were increased by the amount of employer payroll taxes imposed on the taxpayer during the calendar year in which the taxable year begins.

The amount of the credit allowed under this subsection shall not be treated as a credit allowed under this subpart and shall reduce the amount of the credit otherwise allowable under subsection (a) without regard to section 38(c).

“(2) EMPLOYER DESCRIBED.—An employer is described in this paragraph if the employer is—

“(A) an organization exempt from tax under this chapter,

“(B) any State or political subdivision thereof, the District of Columbia, any possession of the United States, or any agency or instrumentality of any of the foregoing, or

“(C) any Indian tribal government (within the meaning of section 7871) or any agency or instrumentality thereof.

“(3) EMPLOYER PAYROLL TAXES.—For purposes of this subsection—

“(A) IN GENERAL.—The term ‘employer payroll taxes’ means the taxes imposed by—

“(i) section 3111(b), and

“(ii) sections 3211(a) and 3221(a) (determined at a rate equal to the rate under section 3111(b)).

“(B) SPECIAL RULE.—A rule similar to the rule of section 24(d)(2)(C) shall apply for purposes of subparagraph (A).

“(e) DEFINITIONS.—In this section—

“(1) The terms ‘active duty for a period of more than 30 days’, ‘member’, and ‘reserve component’ have the meanings given such terms in section 101 of title 37, United States Code.

“(2) The term ‘compensation’ means any remuneration for employment, whether in cash or in kind, which is paid or incurred by a taxpayer and which is deductible from the taxpayer’s gross income under section 162(a)(1).

“(3) The term ‘Ready Reserve-National Guard employee’ with respect to an employer, means an employee of the employer who is also a member of a reserve component during a taxable year.”

(b) CREDIT TO BE PART OF GENERAL BUSINESS CREDIT.—Subsection (b) of section 38 of such Code (relating to general business credit) is amended by striking “plus” at the end of paragraph (18), by striking the period at the end of paragraph (19) and inserting “, plus”, and by adding at the end the following new paragraph:

“(20) the active-duty reserve component employee credit determined under section 45J(a).”

(c) CONFORMING AMENDMENT.—

(1) Paragraph (2) of section 1324(b) of title 31, United States Code, is amended by inserting “or 45J” after “section 35”.

(2) The table of sections for subpart D of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 is amended by inserting after the item relating to section 45I the following new item:

“Sec. 45J. Active-duty reserve component employee credit.”

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2004.

#### SEC. 704. DIFFERENTIAL WAGE PAYMENTS.

(a) INCOME TAX WITHHOLDING.—Section 3401 of the Internal Revenue Code of 1986 (relating to definitions) is amended by adding at the end the following new subsection:

“(i) DIFFERENTIAL WAGE PAYMENTS TO ACTIVE DUTY MEMBERS OF THE UNIFORMED SERVICES.—

“(1) IN GENERAL.—For purposes of subsection (a), any differential wage payment shall be treated as a payment of wages by the employer to the employee.

“(2) DIFFERENTIAL WAGE PAYMENT.—For purposes of paragraph (1), the term ‘differential wage payment’ means any payment which—

“(A) is made by an employer to an individual with respect to any period during which the individual is performing service in the uniformed services while on active duty for a period of more than 30 days, and

“(B) represents all or a portion of the wages the individual would have received from the employer if the individual were performing service for the employer.”

(b) TREATMENT OF DIFFERENTIAL WAGE PAYMENTS FOR RETIREMENT PLAN PURPOSES.—

(1) PENSION PLANS.—

(A) IN GENERAL.—Section 414(u) of such Code (relating to special rules relating to veterans’ reemployment rights under USERRA) is amended by adding at the end the following new paragraph:

“(11) TREATMENT OF DIFFERENTIAL WAGE PAYMENTS.—

“(A) IN GENERAL.—Except as provided in this paragraph, for purposes of applying this title to a retirement plan to which this subsection applies—

“(i) an individual receiving a differential wage payment shall be treated as an employee of the employer making the payment,

“(ii) the differential wage payment shall be treated as compensation, and

“(iii) the plan shall not be treated as failing to meet the requirements of any provision described in paragraph (1)(C) by reason of any contribution which is based on the differential wage payment.

“(B) SPECIAL RULE FOR DISTRIBUTIONS.—

“(i) IN GENERAL.—Notwithstanding subparagraph (A)(i), for purposes of section 401(k)(2)(B)(i)(I), 403(b)(7)(A)(ii), 403(b)(11)(A), or 457(d)(1)(A)(ii), an individual shall be treated as having been severed from employment during any period the individual is per-

forming service in the uniformed services described in section 3401(i)(2)(A).

“(ii) LIMITATION.—If an individual elects to receive a distribution by reason of clause (i), the plan shall provide that the individual may not make an elective deferral or employee contribution during the 6-month period beginning on the date of the distribution.

“(C) NONDISCRIMINATION REQUIREMENT.—Subparagraph (A)(iii) shall apply only if all employees of an employer performing service in the uniformed services described in section 3401(i)(2)(A) are entitled to receive differential wage payments on reasonably equivalent terms and, if eligible to participate in a retirement plan maintained by the employer, to make contributions based on the payments. For purposes of applying this subparagraph, the provisions of paragraphs (3), (4), and (5), of section 410(b) shall apply.

“(D) DIFFERENTIAL WAGE PAYMENT.—For purposes of this paragraph, the term ‘differential wage payment’ has the meaning given such term by section 3401(i)(2).”

(B) CONFORMING AMENDMENT.—The heading for section 414(u) of such Code is amended by inserting “AND TO DIFFERENTIAL WAGE PAYMENTS TO MEMBERS ON ACTIVE DUTY” after “USERRA”.

(2) DIFFERENTIAL WAGE PAYMENTS TREATED AS COMPENSATION FOR INDIVIDUAL RETIREMENT PLANS.—Section 219(f)(1) of such Code (defining compensation) is amended by adding at the end the following new sentence: “The term ‘compensation’ includes any differential wage payment (as defined in section 3401(i)(2)).”

(c) EFFECTIVE DATES.—

(1) SUBSECTION (a).—The amendments made by subsection (a) shall apply to remuneration paid after December 31, 2004.

(2) SUBSECTION (b).—The amendments made by subsection (b) shall apply to plan years beginning after December 31, 2004.

(d) PROVISIONS RELATING TO PLAN AMENDMENTS.—

(1) IN GENERAL.—If this subsection applies to any plan or annuity contract amendment—

(A) such plan or contract shall be treated as being operated in accordance with the terms of the plan or contract during the period described in paragraph (2)(B)(i), and

(B) except as provided by the Secretary of the Treasury, such plan shall not fail to meet the requirements of the Internal Revenue Code of 1986 or the Employee Retirement Income Security Act of 1974 by reason of such amendment.

(2) AMENDMENTS TO WHICH SECTION APPLIES.—

(A) IN GENERAL.—This subsection shall apply to any amendment to any plan or annuity contract which is made—

(i) pursuant to any amendment made by this section, and

(ii) on or before the last day of the first plan year beginning on or after January 1, 2007.

(B) CONDITIONS.—This subsection shall not apply to any plan or annuity contract amendment unless—

(i) during the period beginning on the date the amendment described in subparagraph (A)(i) takes effect and ending on the date described in subparagraph (A)(ii) (or, if earlier, the date the plan or contract amendment is adopted), the plan or contract is operated as if such plan or contract amendment were in effect; and

(ii) such plan or contract amendment applies retroactively for such period.

#### SEC. 705. CREDIT FOR INCOME DIFFERENTIAL FOR EMPLOYMENT OF ACTIVATED MILITARY RESERVIST AND REPLACEMENT PERSONNEL.

(a) IN GENERAL.—Subpart B of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 (relating to foreign tax credit, etc.) is amended by adding at the end the following new section:

##### “SEC. 30B. EMPLOYER WAGE CREDIT FOR ACTIVATED MILITARY RESERVISTS.

“(a) GENERAL RULE.—There shall be allowed as a credit against the tax imposed by this chapter for the taxable year an amount equal to the sum of—

“(1) in the case of a small business employer, the employment credit with respect to all qualified employees and qualified replacement employees of the taxpayer, plus

“(2) the self-employment credit of a qualified self-employed taxpayer.

“(b) EMPLOYMENT CREDIT.—For purposes of this section—

“(1) QUALIFIED EMPLOYEES.—

“(A) IN GENERAL.—The employment credit with respect to a qualified employee of the taxpayer for any taxable year is equal to 50 percent of the lesser of—

“(i) the excess, if any, of—

“(I) the qualified employee’s average daily qualified compensation for the taxable year, over

“(II) the average daily military pay and allowances received by the qualified employee during the taxable year, while participating in qualified reserve component duty to the exclusion of the qualified employee’s normal employment duties for the number of days the qualified employee participates in qualified reserve component duty during the taxable year, including time spent in a travel status, or

“(ii) \$30,000.

The employment credit, with respect to all qualified employees, is equal to the sum of the employment credits for each qualified employee under this subsection.

“(B) AVERAGE DAILY QUALIFIED COMPENSATION AND AVERAGE DAILY MILITARY PAY AND ALLOWANCES.—As used with respect to a qualified employee—

“(i) the term ‘average daily qualified compensation’ means the qualified compensation of the qualified employee for the taxable year divided by the difference between—

“(I) 365, and

“(II) the number of days the qualified employee participates in qualified reserve component duty during the taxable year, including time spent in a travel status, and

“(ii) the term ‘average daily military pay and allowances’ means—

“(I) the amount paid to the qualified employee during the taxable year as military pay and allowances on account of the qualified employee’s participation in qualified reserve component duty, divided by

“(II) the total number of days the qualified employee participates in qualified reserve component duty, including time spent in travel status.

“(C) QUALIFIED COMPENSATION.—When used with respect to the compensation paid or that would have been paid to a qualified employee for any period during which the qualified employee participates in qualified reserve component duty, the term ‘qualified compensation’ means—

“(i) compensation which is normally contingent on the qualified employee’s presence for work and which would be deductible from the taxpayer’s gross income under section 162(a)(1) if the qualified employee were present and receiving such compensation,

“(ii) compensation which is not characterized by the taxpayer as vacation or holiday pay, or as sick leave or pay, or as any other

form of pay for a nonspecific leave of absence, and with respect to which the number of days the qualified employee participates in qualified reserve component duty does not result in any reduction in the amount of vacation time, sick leave, or other nonspecific leave previously credited to or earned by the qualified employee, and

“(iii) group health plan costs (if any) with respect to the qualified employee.

“(D) QUALIFIED EMPLOYEE.—The term ‘qualified employee’ means a person who—

“(i) has been an employee of the taxpayer for the 31-day period immediately preceding the period during which the employee participates in qualified reserve component duty, and

“(ii) is a member of the Ready Reserve of a reserve component of an Armed Force of the United States as defined in sections 10142 and 10101 of title 10, United States Code.

“(2) QUALIFIED REPLACEMENT EMPLOYEES.—

“(A) IN GENERAL.—The employment credit with respect to a qualified replacement employee of the taxpayer for any taxable year is equal to 50 percent of the lesser of—

“(i) the individual’s qualified compensation attributable to service rendered as a qualified replacement employee, or

“(ii) \$12,000.

The employment credit, with respect to all qualified replacement employees, is equal to the sum of the employment credits for each qualified replacement employee under this subsection.

“(B) QUALIFIED COMPENSATION.—When used with respect to the compensation paid to a qualified replacement employee, the term ‘qualified compensation’ means—

“(i) compensation which is normally contingent on the qualified replacement employee’s presence for work and which is deductible from the taxpayer’s gross income under section 162(a)(1),

“(ii) compensation which is not characterized by the taxpayer as vacation or holiday pay, or as sick leave or pay, or as any other form of pay for a nonspecific leave of absence, and

“(iii) group health plan costs (if any) with respect to the qualified replacement employee.

“(C) QUALIFIED REPLACEMENT EMPLOYEE.—The term ‘qualified replacement employee’ means an individual who is hired to replace a qualified employee or a qualified self-employed taxpayer, but only with respect to the period during which such employee or taxpayer participates in qualified reserve component duty, including time spent in travel status.

“(D) FAILURE TO MAKE DIFFERENTIAL WAGE PAYMENTS.—The employment credit with respect to a qualified replacement employee of the taxpayer for any taxable year shall be zero if the taxpayer does not make all differential wage payments (as defined by section 3401(i)(2)) for the taxable year to the qualified employee or the qualified self-employed taxpayer (as the case may be) who is replaced by the qualified replacement employee.

“(c) SELF-EMPLOYMENT CREDIT.—For purposes of this section—

“(1) IN GENERAL.—The self-employment credit of a qualified self-employed taxpayer for any taxable year is equal to 50 percent of the lesser of—

“(A) the excess, if any, of—

“(i) the self-employed taxpayer’s average daily self-employment income for the taxable year over

“(ii) the average daily military pay and allowances received by the taxpayer during the taxable year, while participating in qualified reserve component duty to the exclusion of the taxpayer’s normal self-employment du-

ties for the number of days the taxpayer participates in qualified reserve component duty during the taxable year, including time spent in a travel status, or

“(B) \$30,000.

“(2) AVERAGE DAILY SELF-EMPLOYMENT INCOME AND AVERAGE DAILY MILITARY PAY AND ALLOWANCES.—As used with respect to a self-employed taxpayer—

“(A) the term ‘average daily self-employment income’ means the self-employment income (as defined in section 1402(b)) of the taxpayer for the taxable year plus the amount paid for insurance which constitutes medical care for the taxpayer for such year (within the meaning of section 162(l)) divided by the difference between—

“(i) 365, and

“(ii) the number of days the taxpayer participates in qualified reserve component duty during the taxable year, including time spent in a travel status, and

“(B) the term ‘average daily military pay and allowances’ means—

“(i) the amount paid to the taxpayer during the taxable year as military pay and allowances on account of the taxpayer’s participation in qualified reserve component duty, divided by

“(ii) the total number of days the taxpayer participates in qualified reserve component duty, including time spent in travel status.

“(3) QUALIFIED SELF-EMPLOYED TAXPAYER.—The term ‘qualified self-employed taxpayer’ means a taxpayer who—

“(A) has net earnings from self-employment (as defined in section 1402(a)) for the taxable year, and

“(B) is a member of the Ready Reserve of a reserve component of an Armed Force of the United States.

“(d) CREDIT IN ADDITION TO DEDUCTION.—The employment credit or the self-employment credit provided in this section is in addition to any deduction otherwise allowable with respect to compensation actually paid to a qualified employee, qualified replacement employee, or qualified self-employed taxpayer during any period the qualified employee or qualified self-employed taxpayer participates in qualified reserve component duty to the exclusion of normal employment duties.

“(e) COORDINATION WITH OTHER CREDITS.—The amount of credit otherwise allowable under sections 51(a) and 1396(a) with respect to any employee shall be reduced by the credit allowed by this section with respect to such employee.

“(f) LIMITATIONS.—

“(1) APPLICATION WITH OTHER CREDITS.—The credit allowed under subsection (a) for any taxable year shall not exceed the excess (if any) of—

“(A) the regular tax for the taxable year reduced by the sum of the credits allowable under subpart A and sections 27, 29, and 30, over

“(B) the tentative minimum tax for the taxable year.

“(2) DISALLOWANCE FOR FAILURE TO COMPLY WITH EMPLOYMENT OR REEMPLOYMENT RIGHTS OF MEMBERS OF THE RESERVE COMPONENTS OF THE ARMED FORCES OF THE UNITED STATES.—No credit shall be allowed under subsection (a) to a taxpayer for—

“(A) any taxable year, beginning after the date of the enactment of this section, in which the taxpayer is under a final order, judgment, or other process issued or required by a district court of the United States under section 4323 of title 38 of the United States Code with respect to a violation of chapter 43 of such title, and

“(B) the 2 succeeding taxable years.

“(3) DISALLOWANCE WITH RESPECT TO PERSONS ORDERED TO ACTIVE DUTY FOR TRAINING.—No credit shall be allowed under sub-

section (a) to a taxpayer with respect to any period by taking into account any person who is called or ordered to active duty for any of the following types of duty:

“(A) Active duty for training under any provision of title 10, United States Code.

“(B) Training at encampments, maneuvers, outdoor target practice, or other exercises under chapter 5 of title 32, United States Code.

“(C) Full-time National Guard duty, as defined in section 101(d)(5) of title 10, United States Code.

“(g) GENERAL DEFINITIONS AND SPECIAL RULES.—For purposes of this section—

“(1) SMALL BUSINESS EMPLOYER.—

“(A) IN GENERAL.—The term ‘small business employer’ means, with respect to any taxable year, any employer who employed an average of 50 or fewer employees on business days during such taxable year.

“(B) CONTROLLED GROUPS.—For purposes of subparagraph (A), all persons treated as a single employer under subsection (b), (c), (m), or (o) of section 414 shall be treated as a single employer.

“(2) MILITARY PAY AND ALLOWANCES.—The term ‘military pay’ means pay as that term is defined in section 101(21) of title 37, United States Code, and the term ‘allowances’ means the allowances payable to a member of the Armed Forces of the United States under chapter 7 of that title.

“(3) QUALIFIED RESERVE COMPONENT DUTY.—The term ‘qualified reserve component duty’ includes only active duty performed, as designated in the reservist’s military orders, in support of a contingency operation as defined in section 101(a)(13) of title 10, United States Code.

“(4) SPECIAL RULE FOR CERTAIN MANUFACTURERS.—

“(A) IN GENERAL.—In the case of any qualified manufacturer, paragraph (1)(A) of this subsection shall be applied by substituting ‘100’ for ‘50’.

“(B) QUALIFIED MANUFACTURER.—For purposes of this paragraph, the term ‘qualified manufacturer’ means any person if—

“(i) the primary business of such person is classified in sector 31, 32, or 33 of the North American Industrial Classification System, and

“(ii) all of such person’s facilities which are used for production in such business are located in the United States.

“(5) CARRYBACK AND CARRYFORWARD ALLOWED.—

“(A) IN GENERAL.—If the credit allowable under subsection (a) for a taxable year exceeds the amount of the limitation under subsection (f)(1) for such taxable year (in this paragraph referred to as the ‘unused credit year’), such excess shall be a credit carryback to each of the 3 taxable years preceding the unused credit year and a credit carryforward to each of the 20 taxable years following the unused credit year.

“(B) RULES.—Rules similar to the rules of section 39 shall apply with respect to the credit carryback and credit carryforward under subparagraph (A).

“(6) CERTAIN RULES TO APPLY.—Rules similar to the rules of subsections (c), (d), and (e) of section 52 shall apply.”.

(b) CONFORMING AMENDMENT.—Section 55(c)(2) of the Internal Revenue Code of 1986 is amended by inserting “30B(f)(1),” after “30(b)(3).”.

(c) CLERICAL AMENDMENT.—The table of sections for subpart B of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 is amended by adding at the end of 30A the following new item:

“Sec. 30B. Employer wage credit for activated military reservists.”.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2004.

**SEC. 706. EMPLOYER CONTRIBUTIONS TO IRAS OF CERTAIN MEMBERS OF THE UNIFORMED SERVICES.**

(a) IN GENERAL.—Section 3121 of the Internal Revenue Code of 1986 is amended by adding at the end the following:

“(z) EMPLOYER CONTRIBUTIONS TO IRAS OF CERTAIN MEMBERS OF THE UNIFORMED SERVICES.—Nothing in any paragraph of subsection (a) (other than paragraphs (1) and (5)) shall exclude from the term ‘wages’ any employer payment on behalf of an individual to an individual retirement plan if such payment is made by the employer to such plan with respect to any period during which the individual is performing service in the uniformed services while on active duty for a period of more than 30 days.”.

(b) RAILROAD RETIREMENT.—Subsection (e) of Section 3231 of such Code is amended by adding at the end the following new paragraph:

“(1) EMPLOYER CONTRIBUTIONS TO IRAS OF CERTAIN MEMBERS OF THE UNIFORMED SERVICES.—Nothing in any paragraph of this subsection (other than paragraph (2)) shall exclude from the term ‘compensation’ any amount described in section 3121(z).”.

(c) FEDERAL UNEMPLOYMENT TAX.—Section 3306 of such Code is amended by adding at the end the following:

“(u) EMPLOYER CONTRIBUTIONS TO IRAS OF CERTAIN MEMBERS OF THE UNIFORMED SERVICES.—Nothing in any paragraph of subsection (b) (other than paragraphs (1) and (5)) shall exclude from the term ‘wages’ any employer payment on behalf of an individual to an individual retirement plan if such payment is made by the employer to such plan with respect to any period during which the

individual is performing service in the uniformed services while on active duty for a period of more than 30 days.”.

(d) WITHHOLDING.—Section 3401(a) of such Code is amended by adding at the end the following new subsection:

“(u) EMPLOYER CONTRIBUTIONS TO IRAS OF CERTAIN MEMBERS OF THE UNIFORMED SERVICES.—Nothing in any paragraph of subsection (a) (other than paragraph (12)) shall exclude from the term ‘wages’ any amount described in section 3121(z).”.

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to amounts paid after December 31, 2004.

**SEC. 707. EMERGENCY DESIGNATION.**

Amounts provided pursuant to the amendments made by this title are designated as an emergency requirement pursuant to section 402 of the conference report to accompany S. Con. Res. 95 (108th Congress).



United States  
of America

# Congressional Record

PROCEEDINGS AND DEBATES OF THE 109<sup>th</sup> CONGRESS, FIRST SESSION

Vol. 151

WASHINGTON, MONDAY, MARCH 14, 2005

No. 30

## Senate

The Senate met at 10 a.m. and was called to order by the President pro tempore (Mr. STEVENS).

### PRAYER

The Chaplain, Dr. Barry C. Black, offered the following prayer:

Let us pray.

God of the ages, our God, great are the works of Your hands and of Your heart. You bless those who seek You. Forgive us when our self-will prevents You from doing in and through us all that You desire to see in our lives.

Bless the Members of this body and those who work to support them. Let no shadow of shame darken their faces. Keep them on the road of integrity. Deliver them from foolish pride and give them the courage to pursue and embrace truth. Remind them that we harvest what we plant, whether good or bad. Reward their diligence with bountiful blessings.

We pray in Your loving Name. Amen.

### PLEDGE OF ALLEGIANCE

The PRESIDENT pro tempore led the Pledge of Allegiance, as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all

### RESERVATION OF LEADER TIME

The PRESIDENT pro tempore. Under the previous order, the leadership time is reserved.

### CONGRESSIONAL BUDGET FOR THE UNITED STATES GOVERNMENT FOR THE FISCAL YEAR 2006

The PRESIDENT pro tempore. Under the previous order, the Senate will proceed to consideration of S. Con. Res. 18, which the clerk will report.

The bill clerk read as follows:

A concurrent resolution (S. Con. Res. 18) setting forth the congressional budget for

the United States Government for the fiscal year 2006 and including the appropriate budgetary levels for fiscal years 2006 and 2007 through 2010.

### RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore. The majority leader is recognized.

### SCHEDULE

Mr. FRIST. Mr. President, this morning we will immediately begin consideration of the budget resolution which was reported from the Budget Committee last week. There are now 45 hours remaining of the statutory 50-hour limit. The chairman and ranking member are ready for opening statements, and then it is our expectation to begin the amendment process.

As we announced last week, we do anticipate a vote around 5:30 p.m. today in relation to an amendment. Once we get underway, we will alert Senators as to what amendment will be voted on this afternoon.

I also want to reiterate that this will be a busy week of Senate business. We will complete the budget resolution this week. We will obviously have lengthy sessions over the course of each day and likely well into the evening. I will be working with the Democratic leader to see if we can keep a steady pace throughout the week so that we can avoid what has come to be known as the vote-arama, if at all possible. I know the managers of the bill will be doing everything possible to continue to have this bill move in an orderly, systematic way. This will require the cooperation of all Senators, and we have asked all to keep their schedules flexible around the floor schedule.

We will need to keep the length of each rollcall vote to a reasonable limit. We again request Members to come as soon as possible to vote when votes are called. If not, we will have to cut off the time with which we have flexibly in the past allowed our colleagues to meander over. We have to keep the bill moving expeditiously.

I thank everybody in advance for what I know will be a busy week, and I look forward to completing our work prior to the start of the Easter break.

I particularly thank JUDD GREGG and Senator CONRAD for their hard work and leadership. They have worked very hard over the course of the last several weeks completing the work of the budget at the committee level at the end of last week. As I said earlier, we will complete action on the bill before we adjourn for the March recess.

The budget is a tough budget. It is an austere budget. It is a disciplined budget. That is what is appropriate at this point in time. It restrains spending. It cuts the deficit in half over 5 years. It extends the progrowth tax relief that has continued to fuel the economy. Some will say that it goes too far in terms of restrained spending; others will say it does not go far enough.

Budgets are never easy. This one is no different, but it is absolutely essential that we complete the budget this week. It provides the blueprint for just about everything else that occurs over the remainder of this session, most importantly the appropriations bills.

We have had good discussion among the leadership about focusing amendments and making sure that amendments that are brought to the floor are done so in an orderly way but also that the amendments that are brought to the floor are, indeed, substantive amendments. We don't want dozens and dozens of amendments to be brought to the floor because typically all these amendments can be overlapping and repetitive of earlier amendments. It is that sort of disorganization and chaos we want to get rid of and focus on the important amendments, debate them under the time agreements we have.

I was just talking to the Democratic manager, and that orderly process that the two managers are talking about is one that would give some certainty as to when amendments would come to

• This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.



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the floor. That is going to take planning right now and not having amendments come flowing in at the very end. I do believe that if we work together and keep our focus, we will take potentially a chaotic process and give it clear definition and clear order.

We will have a lively and spirited debate. Such debate was manifested in the committee last week, and it will continue on the Senate floor with the broader participation of all of our colleagues over the next 4 days. I look forward to delivering a blueprint that reflects our commitment to fiscal responsibility, to economic growth, and a bill that does keep America moving forward.

Mr. President, I ask unanimous consent that the staff of the Senate Budget Committee on the list I send to the desk be permitted to remain on the Senate floor during consideration of S. Con. Res. 18 and the conference report thereon and that the list be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

SENATE BUDGET COMMITTEE FLOOR  
PRIVILEGES LIST, 109TH CONGRESS

Amdur, Rochelle; Bailey, Stephen; Bargo, Kevin; Brandt, Dan; Cheung, Rock E.; Dempsey, Don; Duckworth, Cara; Esquea, Jim; Eyster, Sarah; Fisher, David; Friesen, Katherine; Green, Vanessa; Gudes, Scott B. (Staff Director, Full Access Pass); Haskell, Tyler; Havlik, Matthew.

Hearn, Jim; Howe, Matthew; Isenberg, Cliff; Jones, Michael; Kermick, Andrew; Klumpner, James; Konwinski, Lisa (General Counsel, Full Access Pass); Kuehl, Sarah; Lofgren, Michael; Lucia, William; Mashburn, John; Millar, Gail; Miller, Jim; Mittal, Seema; Monk, Kimberly.

Morin, Jamie; Myers, David; Nagurka, Stuart; Naylor, Mary (Staff Director, Full Access Pass); Nelson, Sue; Noel, Kobye; O'Keefe, Shannon; O'Neill, Maureen; Ortega, David A.; Osterberg, K. Gayle; Page, Anne; Pappone, David; Parent, Allison; Phillips, Roy; Posner, Steven.

Reidy, Cheri; Righter, John; Seymour, Lynne; Vandivier, David; Ventimiglia, Vincent; Weblinger, Richard; and Woodall, George.

SENATE BUDGET COMMITTEE FLOOR  
PRIVILEGES DETAILEES, 109TH CONGRESS

Binzer, Peggy (Detaillee); Browne, Mara (Detaillee); Konove, Elissa (Detaillee); Pollom, Jennifer (Detaillee); and Richardson, Stephen (Fellow).

Mr. FRIST. Mr. President, I ask unanimous consent that the following four staff members—two from the Republican staff and two from Senator CONRAD's staff—named on the list that I send to the desk be given "all access" floor passes for Senate floor consideration of S. Con. Res. 18: Cheri Reidy and Jim Hearn from the Republican staff; John Righter and Sue Nelson from the Democratic staff.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. FRIST. Mr. President, I ask unanimous consent that the presence and use of small electronic calculators be permitted on the floor of the Senate during consideration of the fiscal year

2006 concurrent resolution on the budget.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. FRIST. I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. GREGG. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. GREGG. Mr. President, today we begin discussion of the Federal budget, which is, of course, one of the primary functions we are supposed to do as a governing body in the Senate and the House. Interestingly enough, under the rules of the Congress, something which I don't think most people recognize, the President has no official role in the budget. It is a document which is produced by the Senate and the House. It is called a resolution. The President doesn't sign it. The President sends up his budget, but his budget is not officially part of the process in the sense that he signs the final document. In a unique way, the Budget Act puts on the Congress the responsibility of doing a budget.

Now, the President has sent up a budget. Of course, he is the leader of our party and of the country. As such, we have given it very significant credibility and have actually tracked it quite closely in the budget which was produced by the Budget Committee.

Before we begin the specifics of the discussion on the budget, I want to thank the members of the Budget Committee for pursuing a very efficient and professional markup last Thursday. I especially thank members on my side, who were there for all of the votes. It is the only committee in the Senate that requires that you actually be there and physically vote versus using a proxy. They participated aggressively in the debate. I also thank the ranking member, Senator CONRAD, and the members of his party for expediting the process. They had a lot of amendments they wanted to put forward. They put them forward in an extraordinarily professional and effective way. As a result, we were able to move through the process and debate issues which are critical to the Nation.

A lot of issues are raised by the budget because it touches everything. There are two basic issues which I think our budget attempts to address. The first, of course, is how you control spending, how you make sure that you do the most with the dollars you have, but that you don't demand of the American people more dollars than they can afford to pay through taxes, and that you not end up passing on to your children and your children's children significant deficits, that you not borrow excessively in order to fund the Government. The short-term issue which that involves is the fact that we have, for

the last few years, been running very significant deficits. Those deficits are, in my opinion, a function of two basic events.

The first is that in the late 1990s, we saw the largest economic bubble in the history of the world. A bubble is an inflation of the market, a perversion, really, of the market and a period where you essentially find that the economics of the times, specifically the ability to issue stock through IPOs, through creation of corporations, is creating artificial value, that the stock is not supported by real value. It is actually a form of printing money, for all intents and purposes.

In the history of the world there have been a lot of these bubbles. The two most significant ones were the tulip bubble in Holland and the South Seas bubble involving the English investment in South Seas companies. As a percentage of the economy in the world at that time, they were huge bubbles and they led to significant economic disruption and negative events.

They were nothing compared to the Internet bubble. When the Internet bubble burst, as all bubbles do—especially economic bubbles—there was a significant downturn in the economy, and a huge recessionary event was generated. Explosion of that bubble was also followed by, obviously, the attacks of 9/11. They had a massive impact on us. Obviously, we lost many lives and it changed the whole culture of our country. But the economic impact was also dramatic. The economy slowed dramatically as a result of the attack. We had to reorient the Federal Government activity and we had to significantly, dramatically ramp up our commitment to national defense, homeland defense, make massive capital expenditures that we had not anticipated making in the area of homeland defense. Not only did the economy slow, which means revenues slowed, but spending had to go up dramatically as a result of that.

The effect of that was we headed toward a recession, went into a recession, and revenues of the Federal Government dropped precipitously and spending went up to fight the war on terrorism.

Some would argue that the deficits were also a function of President Bush's decision to reduce taxes during this period. I argue the opposite. I would say that the decision to reduce taxes, especially taxes on people's income, was one of the best economic decisions of the period, because it meant more money was left with consumers and, as a result, the economy had more money in it and, as a result, people were able to spend more money and, as a result, the recession was shallowed out. There would have been a much more severe, dramatic, and damaging recession had those tax cuts not gone into place. We are seeing now, as a result of those tax cuts, their benefit, which is that the economy is coming back in an extremely strong way and

revenues are starting to grow with equal strength. Last year, they grew at 9.5 percent. This year, they will grow by about 7 percent. For the foreseeable future, Federal revenues are going to grow over 6 percent, which is a function of the fact that we have changed the way taxes are collected in this country, so we are incentivizing people to go out and be productive and spend money to create jobs and, as a result, we are seeing more economic activity and we are seeing more revenues come in because there are more taxes being collected from the economic activity.

Two of the most successful tax cuts during this period were, in my opinion, the dividend rate cut and the capital gains cut, both of which led specifically to dramatic increases in Federal revenue. The capital gains rates have seen huge jumps in revenues at the Federal level, which are a function of the fact that people who had been sitting on economic growth and assets, capital gains, had just been sitting there. They didn't want to pay the tax, so they were sitting on the assets. With the capital gains cut, people said I can now sell this asset and reinvest. That has two very positive economic effects.

The first is it means more revenues for the Federal Treasury. Those gains would not have occurred without that rate cut because there would have been no sale and no taxable event.

Second is that the money generated from those sales is being reinvested more efficiently in the economy because people are taking cash and reinvesting it in a way that it will earn more money. Therefore, you are creating more jobs as a result of putting more capital more efficiently back into the marketplace.

The same could be said for the dividend cut. For years, corporations in America had basically piled up dividends, piled up resources, and not paid them out to their stockholders because it was a double tax. First, they are taxed on profits at the corporate level at 32, 35 percent; and then when we pay out the profits out, the individual taxpayer who happens to be an owner of the company, most of whom are working Americans and have that ownership through their pension plan—truck drivers, restaurant people, people who work in manufacturing facilities—then pay another tax because they are hit with the tax as the money is paid out in the form of tax on dividend income—double taxation, rates from 50 to 70 percent as a result of double taxation. So we cut the dividend rate. The practical effect of that was to say to corporate America, you can now pay your stockholders, most of whom are working Americans, who have a 401(k) or a pension plan—you can pay the Americans who have invested in America through the stock market a dividend and you are not going to have to pay a punitive double tax event. You are going to still pay double tax, but it will not be as punitive as before.

The effect of that was major corporations did pay dividends. Microsoft

alone, I think, paid out a \$32 billion one-time dividend—a massive dividend payout. The effect of that was to, I think in and of itself, create a 1-percent growth in the economy of the U.S.—or the net worth of America, I think is the term that should be used—but a huge benefit that was to Americans across the board who invested in Microsoft. Millions of Americans working in technology jobs and in restaurants and working in the military, who had stock through their 401(k) or through various other investments, suddenly got this payment which managed to increase significantly their personal wealth and which they could then use to reinvest, which they have, or which they could use to consume, which they have, and as a result the economy is growing faster than at any time since the mid-1990s. It grew 4.4 percent in the last quarter. We have the lowest unemployment in years. All of this is a function of having made the right decisions at the right time on the issue of cutting taxes.

That brings me back to the deficit. Now, the one cloud on our horizon—there are actually two, and they are both tied to the fact that the Federal Government is spending more than it is taking in in the short term and long term. In the short term, that deficit is large. By historical terms, it is not the largest we have had, but it is a large deficit. It is one that must be reduced in the short term. In the long term, we have a much more significant problem. We know there are already on the books Federal programs, specifically in the area of retirement, that are going to radically expand the cost of Government in the next generation. Those programs, which are Social Security, Medicare, and Medicaid, are targeted on benefiting retired people.

We have in this country today a demographic specific that cannot be denied. That is this: There are a lot more people headed toward retirement than has ever occurred in the history of America. The baby boom generation, the largest generation in America's history, is now headed toward retirement. They will begin to retire in 4 years. When that generation begins to retire, it is going to overwhelm the retirement system. This generation is so large that it has overwhelmed every system it has ever hit. In the early 1950s, it overwhelmed the country to make baby carts and cribs. In the late 1950s, it overwhelmed education through elementary schools having to be built. In the 1960s, it changed the culture by moving forward in civil rights and women's rights, and the war in Vietnam became a major issue. As we moved into the 1970s and 1980s and 1990s, it has been the most productive generation in American history and, as a result, has caused America to jump ahead in the area of personal wealth and economic opportunity.

Now this generation heads for retirement and it is going to take on a retirement system—Medicare, Medicaid

and Social Security—which was never structured to deal with this size of a generation. All of these major retirement systems were designed with the concepts of the 1940s and 1950s. The Franklin Roosevelt approach, the genius of Roosevelt in the area of retirement systems, was that he and other people understood you could support a pretty decent retirement system as long as you had a lot more people working than retired. Back then, there were 16 people working for every person who was retired. Those 16 people would pay a little bit of their income to make sure the person who is retired had a decent lifestyle. That was the right approach. Today, we have 3½ people working for every one person who is retired. The result is that we can still support the system. But by the late 2020 period—or the mid-2020 period, when the baby boom generation is fully retired, we go from a pyramid to a rectangle, where there will be two people retired for every person working. The practical effect of that is those two people working for every one person retired are going to have to bear a massive increase in taxes in order to support that one person who is retired.

It is a simple fact of statistics. If you had 16 people supporting 1 retired person—16 people working for 1 retired—and you go down to 2 people working for every 1 retired, it is obvious those 2 people are going to have to bear a much higher burden than the 16. And we have at the same time significantly increased the benefit structure for retired people.

The practical effect of this is, the young people here as pages are going to go out and get jobs—and I am sure they are all going to get jobs and be well employed Americans—they are going to find their payroll taxes to support my generation will have to double—double. Their quality of life, therefore, will be radically reduced because they will not have the extra spending power to send their kids to college. They will not have the extra spending power to buy a nicer house. They will not have the extra spending power to have a good life of maybe taking a vacation. They will have to give up all that to pay taxes to support my generation in its retirement.

In fact, there is today on the books, according to the Comptroller General of the United States, Mr. Walker, \$44 trillion—that is trillion dollars; it is hard to conceive what a trillion dollars is but, believe me, it is a lot of money—\$44 trillion of unfunded liability which the next generation has already been told they are going to have to pay because our generation has already put the laws in place to require it. And of that \$44 trillion, \$26 trillion, over half of it, about 60 percent of it is directly tied to health care costs—Medicare and Medicaid. They are huge numbers, massive numbers.

To put in context, the entire net worth of America, if we took everything America owns today, is only \$47

trillion, and yet we have \$44 trillion of debt on the books.

Put it in another context, if you take all the taxes paid in American history since George Washington crossed the Potomac, came over here and started this Capitol, \$43 trillion, and yet we have a \$44 trillion debt on the books and almost the vast majority of it is health care debt required to pay for senior retirement. These are huge numbers we are placing on our children.

To put it in another context, today the Federal Government consumes about 20 percent of the gross national product of the United States, all the Federal Government—that is national defense, that is education, that is environmental protection, that is Social Security, it is health care, everything, put it all together and historically it has been about 20 percent of the gross national product. By the year 2025, if you just take Social Security, Medicare, and Medicaid—those three programs alone—they will absorb over 20 percent of the gross national product and will be going up.

It will mean we are going to put the Federal Government in a historic position: we cannot spend any money on national defense; we cannot spend any money on education; we cannot spend any money on environmental protection, roads, or anything else because it will all have to be spent on this retired class.

What is the point of all this? The point is this: The short-term deficit is a problem, and we have to address it. But the long-term threat to our economy created by these entitlement programs, known as Social Security, Medicare, and Medicaid, is even more dramatic, and we need to do something about it.

We have an obligation to do something about it. That is our job as people who have been sent here by our States to look at an issue which we know is coming at us, an issue of public policy of such significance, and try to reduce its impact, try to make it a more positive event, try to make it an affordable event for our children and our children's children.

So the President's budget which was sent up has attempted to address both these issues. He has first attempted to address the short-term deficit and, second, to address this outyear problem of the entitlement spending. He has also, outside the budget, taken on one of the major entitlement issues, which is Social Security—how to make that system solvent so that it gives decent benefits to those who are retired, but also affordable so that young people, when they pay into the system, which they have to, will get something back on their investment.

You have to give him credit. He stepped into dangerous political waters, but it is appropriate that we address the Social Security issue, and I congratulate him for that. But the budget is not about Social Security because the law does not allow the budg-

et to address Social Security. The budget is about the other elements of Federal spending.

The Federal budget, as brought forward today, tracks fairly closely the President's proposals. It does not reconcile taxes as much as the President asks or might have wanted, and it does not reduce the rate of growth of entitlements as much as he may have wanted, but generally it tracks the proposals the President has put forward.

In the short term, the budget that has been brought forward will reduce the deficit by half. That is over the next 5 years. In the long term, this budget begins to address one of the three key elements of the question of how we try to make the retirement benefits for my generation more affordable to our children, specifically in the area of Medicaid.

Let me go back and go through a few specifics, and then I will turn the rostrum over to the Senator from North Dakota who has been generous to sit through all of this.

On the spending side, to try to get the deficit under control, what this budget does is essentially sets a top number. The Budget Committee does not have the authority to develop programs. We are specifically excluded from that authority. We can make suggestions, but both the Appropriations Committees and authorizing committees that are separate from us ignore our suggestions almost as a matter of course. The only place they cannot ignore us is the upper line number. So we have set what is known as a hard number at the top.

On the discretionary side, discretionary spending making up about 30 percent of Federal spending, about half of which is defense spending, we have set the top number at \$843 billion. This number represents about a 4.5-percent increase in defense spending, and it represents basically a hard freeze on nondefense spending.

The defense number may seem large, but actually it is significantly less than what the Defense Department originally planned as part of their spending program. Their ox has been gored, and if you do not believe that, all you have to do is walk outside this room and you will run into six or seven defense lobbyists who say they need more money for more programs to deal with the Defense Department.

On the nondefense discretionary side, it is obviously a hard number, a firm number where we are freezing. We raise that number a little bit in the next 2 years but not much. It is more than what the President asked for, but not a great deal. We cap these numbers with something called a budgetary cap, and that is the key. We essentially say that any Member of this Congress—this Senate anyway—who believes that a committee exceeded the allocation which it will get in the area of discretionary spending—is spending more, in other words, than this top line number

as it is distributed amongst committees—that any Member who believes that has happened may come to the floor of the Senate, object to that spending, and get a vote of 60. A supermajority must be voted in order to go forward with that spending. It is a pretty strong budgetary tool for enforcement, and that is in this budget. So we have put in place stringent discretionary controls.

On the entitlement side, we cannot control entitlements with anything other than changes in entitlements. There is this philosophy of something called pay-go. It has no impact on entitlements unless we create new entitlements. The existing entitlements are the problem. They represent about 57 percent of Federal spending, and nothing can control that. They can grow as much as they want, and there is no budgetary way to affect them unless we go back to those entitlements and say to the committees that have jurisdiction over those entitlements: Take another look; see if there is some way we can save some money. And that is what we have done here.

It is not as much as the President asked. He asked we do \$62 billion in net number. We have done about \$32 billion of entitlement control. It is called reconciliation.

Essentially, the key elements of this reconciliation bill involve the PBGC, which is a Pension Benefit Guaranty Corporation, which needs to be reformed. It is a huge outyear liability for us as a nation. It is massive because so many of these companies that have gotten into trouble have pension funds which are underfunded. This bill tries to begin the process of reforming them, and that is a major positive public policy step of this legislation, not mentioned much by anybody, but it is a big one.

Second is Medicaid reform. This needs to be put in context because there are a lot of people running around here today who are saying: We cannot cut Medicaid; we cannot cut Medicaid. To begin with, we are not cutting anything in the entitlement accounts. That is the nature of the beast. Medicaid spending in the next 5 years will be approximately \$1.12 trillion without any action. With this action, Medicaid spending will be about \$1.11 trillion, a little bit more. We are suggesting a 14-percent reduction in the rate of growth of Medicaid spending over the next 5 years off a \$1.1 trillion base, which means we are suggesting about a 1-percent reduction in the rate of growth of Medicaid.

Medicaid at that period will grow at about 39 percent instead of 41 percent. So we will still have a 39-percent rate of growth in Medicaid instead of 41 percent. Remember, large functions of Medicaid today need reform and that reform will not impact the quality of care given to people.

A significant amount of dollars in Medicaid today is used for general funds for operations of States. We have

serious problems with the way pharmaceuticals are distributed under Medicaid. We have serious problems with the way insurance is handled under Medicaid. There is a whole series of items where we can save money in Medicaid, and this is a minuscule amount of restraint in growth that we are proposing, and will not impact at all—in fact, probably will improve—the delivery of service by giving Governors more flexibility to do more creative things.

That is our plan: to work with the Governors, to reach an agreement, take that agreement to the Finance Committee, and have a concept put forward where the Governors are comfortable—many of the Governors are comfortable—with a change which will give them significantly more flexibility with a little less rate of growth in the dollars.

It is a very doable event. The idea that it is not doable, the idea that anybody would stand up here and say we cannot cut Medicaid's rate of growth by \$14 billion off a \$1.12 trillion base implies to me that individual does not have any interest in our children or our children's children's future because if we do not get a handle on the health care accounts in this country—and this is just a minuscule attempt to do that—we are essentially passing on to our children a no-win situation where they will never be able—never be able—to pay the cost of the retired population because we are going to grow so much and there are going to be so many of us.

If you deny this change, you are basically denying that you are willing to take on your responsibility to govern, and you are going to kick that can down the road and at some point simply not going to be able to kick it any further. It is simply going to be a bill passed on to our kids.

This is not a big change. In fact, it is a marginal change at best. To describe it as "marginal" is probably even an exaggeration. But it has certainly engendered enough run-and-hide policies around here so one would think it was big.

That is the entitlement side: \$32 billion of reconciliation instructions over the next 5 years on a base of something like—I have forgotten what the base is—\$8 trillion, something like that. I have lost count of what the base is, making that \$32 billion adjustment on, but it is huge.

The last item of this budget, of course, is tax reconciliation. That is a point of legitimate contest between two parties. One party likes to raise taxes, and one party thinks people ought to keep their money and spend it themselves. The simple point is, we do not believe we should raise the taxes that have already been put in place at certain rates. For example, we believe we should extend the R&D tax credit, the tuition tax credit, the dividend rate, the capital gains rate, and the small business tax expense. And that is

what this package of reconciliation numbers involves, extending all of those.

There is an irony to the Congress. The irony is this: Spending programs never die. They never die. They go on and on. This alleged pay-go concept does not have any impact at all on them. If it is on the books, it keeps going. But if there is tax rate or a tax proposal that has been put in place, they do lapse. They have to be reauthorized. So it suddenly becomes inappropriate to do that. It is called fiscally responsible to have to pay for that, and yet there is no attempt to pay for the extension of the entitlement programs, no attempt to justify those at all. Inconsistency, ironic, and, to say the least, it takes the attitude that the people's money is not their own, that the people's money is Washington's. It is our money, you should not have it anyway. Let us have it and we will spend it for you. That is basically the philosophy behind this approach to governance.

Well, it is not my philosophy. I believe we should maintain a low tax burden on people, or as low as we can afford. Let us remember that the tax revenues are going up dramatically all through this: 9½ percent last year, 7 percent this year, 6½ percent next year. The tax revenues are going up. The traditional level of taxes in this country has been about 17.9 percent of gross national product. We are going to hit that number before this 5 years is over.

Sure, we are starting at a low base, but we are starting at a low base because we went through a recession and an attack on 9/11. Now we are headed back up and revenues are headed up because people are productive and they are taking the risk necessary to create jobs because they know their return will be higher as a result of the tax rates being reasonable.

So this concept that we should not be reconciling any taxes is a philosophical difference. That is all there is.

So that is the budget we have prepared, what we brought forward. It is a budget which reduces the deficit over the next 5 years, puts in place stringent enforcement on the discretionary side, addresses the entitlement side through minor reconciliation efforts, addresses the taxes which may expire in this window.

I would note as an aside that the big fight on taxes occurred last year, and the big fight on taxes is going to occur next year because last year we had some major taxes expire, specifically the marriage tax penalty and the child credit. Next year, the window of the budget will pull in the rate reduction, which will expire, and the death tax, which will go back up if we do not do something.

Next year we will have a big tax fight, I am sure, but this year is a lull period. Every tax that is being considered under reconciliation is a tax proposal that has a fair amount of sup-

port, whether it is the R&D tax credit, the dividend, the capital gains. These are not the biggies. These are good policy items that should be extended. The tax fight is a lot more smoke than fire in this budget, but it has taken on a personality of its own, and so I presume we will pursue it again.

In any event, as I mentioned, the budget controls discretionary spending with a hard cap. It tries to address the entitlement accounts growth but most specifically addresses the one health care account we are able to address, which is Medicaid—Medicare being off the table for this year as a result of passage of the drug bill last year—and addresses tax reconciliation. There are three elements to it.

If it is passed, it will lead to the first budget since 1996 which fires with real bullets on the issue of controlling spending at the Federal level, and that is the most important point I want to end on.

This is a real budget in the area of pushing forward some fiscal responsibility by having reconciliation instruction on the entitlement accounts.

The discretionary caps are also essential. They have lapsed because we did not have a budget last year, and if we are going to get control over discretionary spending, we need them. So for the first in a long time we have a budget that is serious about disciplining spending. I presume there are going to be a lot of amendments brought forward on this floor to try to get around it because people do not like to address the spending side of the ledger. They would rather spend money. It is much easier.

The people who get the money are the most active in saying the money has to be spent. The people who support spending restraint tend to be less vocal. It is human nature to want to accommodate the people who come to our offices and say, I have to have this money for this program or this money for that program. So spending tends to go up, never goes down.

This budget attempts to at least restrain it so it is affordable, and that is what is critical—putting forward a budget which is legitimate and which attempts to restrain spending so we can begin the process of passing on to our children a fiscally healthy nation.

I thank the Senator from North Dakota for his courtesy in putting up with this long talk, and I thank the President pro tempore for his courtesy in sitting through it.

I yield the floor.

The PRESIDING OFFICER (Mr. ALEXANDER). The Senator from North Dakota is recognized.

Mr. CONRAD. Mr. President, I thank the Chair and I thank my colleague, the chairman of the Senate Budget Committee, for the many courtesies he extended to me and to my staff during consideration of the budget in the Budget Committee. He described it accurately and well, that it was a very professional process and we had a good

debate on a whole series of issues. Many of those debates will now be out on the Senate floor.

I do not think it will surprise people that my take on this budget is somewhat different than the distinguished chairman's take on it. That is what debate is all about. That is what democracy is all about, the chance to have differences and to debate them and to vote on them. That is the genius of our system. The way we arrive at truth, to the extent we do in this system, is we have a debate and a discussion, and we have a contest over ideas. That is a healthy thing. It is a good thing. That is what we are about to go through.

As I look at this budget, I see something quite different than the chairman sees. I see a failure to face up to the major challenges confronting the country. I agree with him in terms of his diagnosis of where this is headed with respect to deficits, debt, and the explosion of the costs of the entitlement programs. I agree with that diagnosis. Where I disagree is that this budget does anything in any significant way to confront those challenges.

In fact, this budget makes it all worse. That is the fundamental reality. This budget digs a hole deeper. This budget produces more deficits than if we did not have a budget resolution at all. If we put it on autopilot, we would be better off than what this budget does.

Each and every year of this budget, the deficit is increased over the so-called baseline budget. That is the reality. Perhaps to understand how we got to this circumstance, we have to look back before we can look forward. We have to look back first to 2001, when the President told us:

[W]e can proceed with tax relief without fear of budget deficits, even if the economy softens.

That is what the President told us in 2001. But look what happened. The President was wrong. We went from a surplus in 2000, the year before President Bush came into office, and the deficit situation has declined each and every year to now record levels of deficit, the biggest deficit in dollar terms we have ever had.

So when the President assured us we could have massive tax cuts and we would not have deficits, he was simply wrong. But he was not just wrong on that issue, because the next year he told us:

. . . [O]ur budget will run a deficit that will be small and short term . . .

He said this in his State of the Union Address on January 29, 2002. Unfortunately, that was wrong, too, because these deficits are not small and they are certainly not short term. In fact, what we see going forward to 2015 is an ocean of red ink, the biggest deficits we have ever had in dollar terms.

So when the President said they would be small, he was wrong. They are very large deficits. When he said they would be short term, he was wrong again. These are long-term deficits and

deficits that are as far as the eye can see. That is not just my conclusion, that is the conclusion of the Congressional Budget Office as well.

If we put back the things the President has left out, the ongoing war costs, the need for alternative minimum tax reform, and the money he is taking from Social Security—it is an interesting thing because at the same time the President says there is a shortfall in Social Security, under his budget each and every year he takes every dime of Social Security money that is available to take and uses it to pay for other things. Again, the President was wrong when he told us these deficits were going to be small and short term.

The next year the President told us in his budget submission:

[O]ur budget gap is small by historical standards.

Again, the President has simply proved to be wrong. Let us put up that next slide that shows a historical comparison of the deficits under President Bush compared to the three previous administrations. The President says the deficits he is writing are small by historical standards. One can look at the last three administrations and see that his deficits are by far the largest.

Let us go to the next slide. The President now says to us, well, we have deficits, so forget about that assertion that there are not going to be any. They are clearly not small and short term. They are clearly not small by historical standards. So now he assures us he is going to cut the deficits in half over the next 5 years. Well, let us look at the reality with respect to that assertion, because what we find is something quite different.

This is the President's claim. He says the deficit is going to be cut in half over the next 5 years, but he gets that result simply by leaving out things. He leaves out war costs past September 30 of this year. He leaves out the need to reform the alternative minimum tax, which is the old millionaire's tax which is rapidly becoming a middle-class tax trap. It costs over \$700 billion to fix. There is not a dime in this budget to do it. Surprisingly, he leaves out the cost of his major proposal, which is to change Social Security, and the cost of his proposed change is in the trillions of dollars, over \$700 billion the first 10 years but over 20 years over \$4 trillion of costs. He does not have any of it in his budget.

The President also told us back in 2001:

. . . (M)y budget pays down a record amount of national debt. We will pay off \$2 trillion of debt over the next decade. That will be the largest debt reduction of any country, ever. Future generations shouldn't be forced to pay back money that we have borrowed. We owe this kind of responsibility to our children and grandchildren.

We can now look back and check the record and see if the President's assertions were correct or incorrect. Again, he was wrong with virtually every

major claim he made on the deficit. Unfortunately, the same is true with respect to the debt. The President said he was going to pay down \$2 trillion of debt. Unfortunately, we do not see any paydown in debt. The debt is exploding.

The assertion by the President that he was going to pay down the maximum amount of debt available to pay down evaporated, like his claims on the deficit. Instead, the debt is skyrocketing, and under the budget the President has sent to us, we see nothing but continued growth of the debt.

When the President came into office, the publicly held debt was \$3.3 trillion. We now forecast by 2015 it will be \$9.4 trillion, almost a tripling of the debt at a time the President said he was going to have maximum paydown of the debt.

One of the most interesting claims I get from colleagues on the other side of the aisle is that these massive tax cuts have nothing to do with the deficits and nothing to do with the growth of the debt. Well, how is that? How can that possibly be true?

I remember very well this chart that the Congressional Budget Office showed us back in January of 2001. This chart shows the range of possible outcomes for the deficit, and the administration chose the midpoint of this range in telling us in 2001 we could expect \$6 trillion of surpluses over the next decade. But now we are able to go back and see what actually happened.

I remember so well, my colleagues on the other side told me, when I warned them against taking this 10-year forecast in the Budget Committee to the bank—I repeatedly warned it was very risky to count on a 10-year forecast—many of my friends on the other side said: Kent, you are being much too conservative. Don't you understand the tax cut will generate even more revenue? Don't you understand, when we put in place these tax cuts, we are going to get a tremendous revenue impact, more revenue than is forecast? They told me we are going to be in the top end of this range.

Let's look at what actually happened. We can now see the record. The record is the red line. This is what happened to the deficits. We didn't get more money, we got less money, and the result is, combined with more spending on defense and homeland security and rebuilding New York, that the deficits are far worse than even the low end of the range projected back in 2001.

Let's check reality. When our friends say if you cut taxes you get more money, that has not been the experience. The experience has been very clearly when you cut taxes, you get less money. In fact, we got a lot less money, 3 years in a row with less money than the year before. That is unprecedented since World War II.

It is not just tax cuts. Tax cuts are about half the reason. The other half is economic downturn and forecasts that were overly optimistic.

Nonetheless, I want to go back to the point. I don't want anybody to miss

this point. Here is what is forecast, this possible range of outcomes. They chose the midrange on which to base their spending and taxing policies. Many said, with the massive tax cuts you will get more money. But here is the reality. Here is what happened in the real world: A lot less money, much bigger deficits, and an exploding debt.

If we look at the budget turnaround since 2000, that is the difference between what was projected and what actually occurred. What we see is that the revenue loss accounts for the bulk of the budget turn around. In fact, reduction in revenue is three-quarters of the reason for the move from dramatic surpluses to dramatic and growing deficits. I think it is very important for us to be dealing in facts here, not rhetoric, not hope, not ideological belief, but facts. The facts are that the revenue side of the equation collapsed.

Do you remember, back in 2000, revenue was running at almost 21 percent of GDP? The President said: That is very high by historical standards. And he was right. He said: As a result we need to cut taxes. I must say I also supported cutting taxes. I didn't support the particular plan that he advocated, but I believed we needed to cut taxes to give lift to the economy at the time. But I also believed we needed to reduce the amount of the tax cut over an extended period so that we would avoid going back into deficit and debt. That is where the President and I parted ways. I believed we needed to have tax cuts. In fact, I supported greater tax cuts than the President proposed, to give lift to the economy at a time of economic weakness. But the President wanted to go much further, and here is what happened.

We had 21 percent of GDP in 2000 coming in, in revenue. Last year we were down to 16.3 percent of GDP. That is the lowest it has been since 1959. The revenue side of the equation collapsed. Again, about half of that is due to tax cuts.

I listened very carefully to my colleague. He talked about the reason the revenue had gone down. He never mentioned the single biggest reason. He never mentioned the tax cuts. But the tax cuts are the biggest single reason for the revenue collapse. Again, I, too, supported tax reductions at a time of economic weakness to give lift to the economy. I didn't think the particular mix of tax cuts was the most effective because, unfortunately, the tax cuts that were put in place were largely weighted to the wealthiest among us. I think we would have been much better targeting the middle class and lower middle class because those are the ones most likely to spend those tax cuts. But beyond that, the question is, going forward, How much can we afford? What is the relationship between spending and revenue? That is what is critical. That is what creates deficits.

Our friends on the other side only want to talk about spending. Spending is one-half of the equation, revenue is

the other half of the equation. It is the difference between how much you are raising and how much you are spending that leads to deficits. This chart goes back to 1980: The red line is the spending line, the green line is the revenue line. You can see very clearly back in the 1980s we had a big gap between spending and revenue. We were spending much more than we were taking in. As a result, we had record deficits at the time.

Then we got spending under control. In fact, interestingly enough, during a Democratic administration spending as a share of our national income went down every year. Spending went down in a Democratic administration and revenue went up. It was that combination of reducing spending and raising revenue that brought us back to balance. In fact, for 3 years we were running surpluses. We even ran surpluses sufficiently strong to stop taking Social Security money and using it to pay for other things. We stopped the raid on Social Security.

Then President Bush came into office. We had the tax cuts, we had an economic slowdown, and the revenue side of the equation plunged. We didn't get more revenue from tax cuts, we got less revenue. Is anybody listening? We didn't get more money with tax cuts, we got less money. And spending went up—though still far below where it was in the 1980s and 1990s, but spending went up. I am not faulting the President. We all agree spending had to go up on defense, on homeland security, on aid for New York, on the bailout of the airlines, and 91 percent of this increase in spending was in just those areas: Defense, homeland security, aid for New York, and bailing out the airlines. That is where the increase in spending occurred. Still, the spending is substantially below where it was in the 1980s and 1990s.

The biggest culprit in the explosion of deficits was on the revenue side of the ledger. These are facts. This is not an ideological argument. It is just facts. I think that is what we have to concentrate on if we are going to get out of this mess. It is going to take spending discipline without question. We have to deal on this side of the ledger. But we are also going to have to deal on the revenue side of the ledger, and our friends on the other side of the aisle never want to talk about it.

This year, the President has said:

We've got to do something about the deficit. . . . it's important.

He is right. We have to do something about the deficit because these deficits are much too high, and as far as the eye can see there is no reduction anywhere in sight. If we look at the President's budget, what we find in terms of doing something about the deficit is largely rhetorical. What the President's idea is of doing something about the deficit is just leave out things. Leave things out of the budget and that makes the numbers look better. It doesn't really change things though.

This is the way you fool yourself, and this is the way others might get fooled. This is how institutions, companies, and individuals get into trouble. They start not quite telling the whole story. Maybe they don't even quite tell the whole story to themselves.

When I look at the President's budget, that is what he and his people are doing. They are not really including everything. They are leaving things out to make the numbers look better.

What have they left out? First of all, they switched from 10-year budgeting to 5-year budgeting because they know right beyond the 5-year budget window things look much worse.

They have left out funding for ongoing war costs beyond September 30 of this year. Just don't include it. They say to me: It is hard to predict what the war costs might be. That is true, it is hard to predict. That is what a budget is all about. Can you imagine a family leaving out their utility bills because they are hard to predict month to month? Can you imagine a family leaving out the food bill because it is hard to predict? But that is what the President has done. He has left out the war costs past September 30 of this year because it is hard to predict.

He has left out the cost of alternative minimum tax reform. Alternative minimum tax, that is the old millionaire's tax. It affects 3 million people now, and 10 years from now it is going to affect 40 million. It costs over \$700 billion to fix. The President doesn't have one dime in his budget to address this problem. Last year, interestingly enough he had 1 year of fix in his budget. This year he doesn't even do that. I can make a budget look pretty good if I leave things out, and that is what the President is doing.

Most remarkably, he has left out completely the cost of his Social Security privatization plan. He doesn't have one dime in his budget to cover the cost of a Social Security privatization plan that in the first 10 years costs over \$700 billion. He doesn't have a dime in his budget. Over 20 years, his plan costs over \$4 trillion. His answer is, borrow the money. On top of the already record deficits, borrow the money.

I am going to, in a minute, get into why that is a very risky course for this country.

The President also does something very interesting in this budget. He only provides details on discretionary spending. Those are accounts like education, law enforcement, parks—he only provides what he intends to spend in those areas for 1 year. Not since 1989 has a President failed to tell Congress and tell the American people what the outyear effects of his programs are; what the future years' effects of his programs are. But this President, for the first time since 1989, says he is not going to tell us that.

I suspect the reason he is not going to tell us that is because it gets pretty grim by the time you get out to the third, fourth, and fifth year.

When the President's people came to me and said they had a plan to cut the deficit in half over 5 years, and they showed me the plan, I said to them: Why don't you leave out some more things and claim you balanced the budget because what you are doing is you are making progress by denial, by leaving things out.

When I go back and add in what the President has left out, I get a very different picture than is being presented on this floor about the budget going forward. When I go back and add up the things the President has admitted—the need for alternative minimum tax reform and the war costs, when I put in the amount of Social Security money that the President is taking to pay for other things, to try to arrive at what the real operating deficit of the United States is, here is what I find. I find an operating deficit in 2006 of \$579 billion; increasing in 2007 to \$584 billion; in 2008 to \$586 billion; in 2009 to \$595 billion; and improving by \$1 billion in 2007 to \$594 billion.

These are my best estimates of what the operating deficits are going to be under the President's plan. Not an improvement. There is no cutting the deficit in half. Instead, massive operating deficits, adding to the debt by almost \$600 billion a year, each and every year for the next 5 years, and after 5 years, it gets much worse. This is not what the American people deserve in terms of being told about the fiscal condition of their country.

Let me go back to the specifics of the things the President has left out. In war costs there is \$82 billion in a budget supplemental put in this year, but there is nothing past September 30th of this year in the President's budget. The Congressional Budget Office says \$383 billion is what we can expect. There is \$300 billion left on the cutting room floor, real costs that a real budget would include.

It is not only that we see a hiding from the American people of how serious our fiscal condition is. The President's tax cut proposal is where it is most dramatic. The dotted line on this chart is the first 5 years of the President's plan. Making the tax cuts permanent has a modest cost in the first 5 years. But look what happens right outside the budget window: The costs of the President's tax cut plan absolutely explode. Is this, perhaps, a reason the President moved from 10-year budgeting to 5-year budgeting? Did he want to disguise the full effect of what he is proposing from the American people? Did he want to hide it so that people did not see where this is all headed?

I have already shown in the next 5 years the operating deficits will be running in the neighborhood of \$600 billion a year. Look what will happen if the President's plan is adopted. These deficits are going to skyrocket because the revenue hemorrhage will skyrocket.

It is not just the revenue hemorrhage but the other items as well. This is, according to the Congressional Budget

Office, the money that is needed to fix the alternative minimum tax. I said it was over \$700 billion. It is actually \$774 billion. Not a dime of it is in the President's budget. And it gets much worse after the first 5 years. Of course, the President's budget has none of it. That is hidden from the American people.

On the President's Social Security plan, the first 10 years cost \$754 billion. Here is what is in the President's budget: zero. Nothing. When we get to the 20-year cost, others are saying even more than this. My own projection is \$4.4 trillion for the cost of the President's privatization plan. Why? Because if you take some of the payroll taxes and divert them into private accounts, you have to replace the money you have taken from somewhere. The President's proposal is, borrow it. Just borrow another \$4 trillion.

I am at a loss for words. I feel as though I am involved in a surreal discussion in a surreal exercise on the budget of the United States. We have record deficits now. The President says, cut the revenue some more and add more to the spending, but he leaves a lot of it out of the budget and says he is going to cut the deficit in half. He has been wrong on each and every one of his forecasts. Not wrong by a little bit, but wrong by a country mile.

Here is the Comptroller General of the United States, the head of the Government Accountability Office. He warns the fiscal outlook is worse than claimed. He said to the National Press Club in February of this year:

The simple truth is that our nation's financial condition is much worse than advertised.

That is the truth. That is the truth, right here. Here is a guy who is telling the truth.

The simple truth is that our nation's financial condition is much worse than advertised.

I go back to the chart. The President says he is going to cut the deficit in half, but he gets there by leaving out things. When you put the things back, what you see is massive deficits, massive additions to the debt. In fact, by 2015, each family's share of the debt will total, according to our calculations, over \$73,000.

That is where these fiscal policies are leading. When the President says "the people's money," he is exactly right. It is the people's money. It is also the people's debt. The President says let's not pay the people's bills. Let's borrow the money. Guess what. In whose name is he borrowing it? He is borrowing it in our names. He is borrowing it in the names of all of us who are responsible for ultimately paying off this debt. When the President says the people's money, absolutely, it is the people's money; it is also the people's debt. The President is running up the debt in a record way and at the worst possible time, right before the baby boomers retire.

There is another part of this that I don't think is being shared with the

American people. Where are we borrowing all this money from? Where is it coming from? Increasingly, it is coming from abroad. Here is what has happened. When the President came into office, we owed an external debt. Foreign holdings of our debt were just over \$1 trillion. In the short time this President has been in office, that has almost doubled. Foreign holdings of our debt have gone up 92 percent in the term of office of this President. It took 200 years to get external debt of \$1 trillion and this President has taken us to \$2 trillion in just over 3 years.

Here is where the money is coming from. We have now borrowed over \$700 billion from Japan. Hard to believe, isn't it? We have borrowed over \$700 billion from Japan. I read in the paper the other day that Japan now holds \$840 billion of United States dollars. They are sitting on \$840 billion of United States dollars. We have borrowed \$712 billion from Japan. We borrowed \$160 billion from England. We borrowed \$69 billion from the so-called Caribbean banking centers. We have borrowed \$69 billion from South Korea. We have borrowed \$60 billion from OPEC. That is the oil exporting countries.

Here we are. We have borrowed money all over the world. And it is increasing dramatically. So what? What difference does it make? The difference it makes is it makes us more and more vulnerable to the decisions of foreign central bankers as to the economic security of this country. It is that simple. It is that important.

What happens to your relationship with the banker when you owe money versus when you have a big deposit? Does your relationship change? Sure it does. Our relationship is changing with the rest of the world because we have gone from being the biggest creditor nation in the world to being the biggest debtor nation in the world. So now we are very dependent. When we have a bond action to finance the credit and debt, we are increasingly dependent on foreign governments and foreign central banks to buy this debt. This is a story from January from the Financial Times. "Central Banks Shun US Assets." "Shifting reserves to eurozone will deepen Bush's difficulties in funding deficit." "Actions likely to undermine dollar's value further."

Friends, that is the risk being run by these massive budget deficits, by these massive trade deficits. We are more and more dependent on others. We are more and more dependent on Japan loaning us money; on China loaning us money; on South Korea loaning us money.

What happens if they decide some day they are not going to continue loaning us money? What happens then? We have had a couple of indications in the last few months. A few weeks ago, February 23, Korea said they were going to limit their dollar holdings. "Central bank's plan upsets exchanges." "Fears flared anew yesterday that the United States dollar

might lose a crucial underpinning of support—purchases by the world's central banks—after South Korea's central bank said in a report that it plans to invest more of its holdings in the currencies of other countries."

What happened? "news of the report," . . . "sent the dollar skidding on foreign exchange markets. The Euro was trading at \$1.3259 late yesterday, up from Monday's close of \$1.3067. The dollar fell against the 104.04 yen . . ." and "the greenback also sank against the British pound, the Canadian dollar and Swiss franc. The dollar's slide, together with a rise in oil prices, drove stock prices sharply lower."

These are the risks being run due to a reckless fiscal policy. This fiscal policy of massive record deficits with no end in sight and record massive trade deficits with no end in sight is putting the economic strength of this country at risk.

It is not only Korea. On March 11, last week, Japan followed Korea:

Talk in Japan shakes dollar and treasuries. The dollar fell and treasury yields rose yesterday after the Japanese Prime Minister made remarks that suggested the country's industrial bank could be shifting some of its huge reserves out of dollars and treasury securities.

What happened? The dollar took another hit. So now we have Korea saying they are going to diversify out of dollars. We have Japan, the biggest lender to our country, warning of the same thing. What would happen if they didn't show up at a bond auction? We hold an auction of United States securities to float the boat to cover these deficits, because when you are spending more money than you are taking in, you have to borrow the money. In the past, we borrowed almost all of it from ourselves. Not anymore. Increasingly, we are borrowing from all over the world. And they are warning us: You are going too far; we might not continue buying this debt.

What happens if they don't show up? We all know what happens. We would have to dramatically increase interest rates to entice them back. That would have severe consequences for our economy.

It is not only Koreans and Japanese. Here is one of the most successful investors in the history of the United States, Warren Buffett. What is he saying? He says in 2005, he is still betting against the dollar. Warren Buffett, one of the most successful investors in America, is betting against the dollar.

When the stock market was soaring in the late 1990s, Warren E. Buffett now says, he should have sold stocks rather than just complain that they were overvalued. Now Mr. Buffett, the billionaire investor, says he is acting on his view that the dollar is still headed down, even though it makes him nervous that so many agree with him.

So he has bet a huge amount of money that the dollar is going to continue to decline in value.

We have the South Koreans warning us. We owe them almost \$70 billion. We have the Japanese warning us. We owe

them over \$700 billion. And we have Warren Buffett.

I can tell you, I was with a man who is one of the foremost financial advisers in the country, and he told me last year he was at the annual meeting of one of the wealthiest families in America and the discussion at their annual meeting was exactly what we are talking about here: the enormous risks being run by the United States with these massive budget deficits, massive trade deficits, leading to unprecedented borrowing, not only from our own people, but from countries around the world.

They saw that as a serious vulnerability—this, one of the wealthiest families in America. And the debate was whether they should diversify out of dollar-denominated investments. They concluded, apparently, that they would do that.

Now, all we have to do is look at what has happened to the dollar against the Euro since 2002 to see why they might be concerned. Look what has happened to the value of the dollar. It has declined 33 percent against the Euro in just that period of time. That is dramatic. Every dollar we have has lost 33 percent of its value against the European currency.

So if you are a central banker in Japan, you are a central banker in Korea, and you have loaned all this money to the United States, and you see that those dollar holdings you have in your central banks have declined in value by almost a third against the European currency, might you conclude that it is time to invest some of your money somewhere else?

Friends, this is the risk that is being run by this policy of debt and deficits. These deficits are out of control. They are undermining confidence in the American currency. They are undermining confidence in the long-term economic strength of the country. And this budget does not do anything about it. In fact, this budget makes it all worse. This budget means bigger deficits, not smaller.

The Congressional Budget Office put out a baseline budget, if we made no policy changes, of what would happen. But this budget does make policy changes, and you would think that given these facts, the policies would be to reduce the deficits. That is not what this budget does. This budget increases the deficits each and every year compared to a policy of putting everything on automatic pilot. Now, that is a fact.

What are the potential consequences here? If the dollar were to decline even more precipitously than it has already, there are very few options left. You have to, first of all, dramatically increase interest rates. What difference would that make? Well, let's look for a typical American family.

A 1-percent increase in interest rates will raise the payment on a 30-year home mortgage of \$150,000 by \$1,200 a year. On a \$300,000 mortgage, it would raise it \$2,400 a year. On a \$450,000

mortgage, it would raise the payment \$3,600 a year. And it would not be only on a house mortgage. It would be on a car payment, student loan payment, all the corporate debt that is out there, and all the Government debt. If interest rates rose dramatically in order to offset the effect of foreign central banks being unwilling to loan us more money, the economic consequences here could be severe.

When I look at the tax policy that underlies this budget, it also raises the serious question of fairness. Because under the President's plan, the top 1 percent in our country, those who earn over \$402,000 a year, get 30 percent of the benefit. The top 1 percent get 30 percent of the benefit. The top 20 percent get over two-thirds of the benefit. They get almost 69 percent of the benefit.

We hear a lot from our friends: Well, the higher income people pay more in taxes. That is true. They pay more in income taxes. But our friends on the other side always want to leave out the payroll taxes that everybody else pays. And when you put the two together, you find that the wealthiest among us do pay more, but they do not compare anywhere close to the proportion of the tax cuts they are getting.

When we look at 2004 and how the tax benefits stacked up in that year, what we see is, from the combined effect of the 2001 and 2003 tax cuts, a middle-income household got \$1,000 and the top 1 percent, those earning over \$400,000, got \$78,000. If we were going to have a bar on the chart to compare what those earning over \$400,000 got in tax benefit as compared to what a middle-income household got, the bar would have to go 17 feet higher. It would go almost to the ceiling of this Chamber to compare what the top 1 percent got in comparison to the middle-income people in the country. Is that fair? That is what the President's tax policy says is fair. Give those who are the top 1 percent \$78,000 in tax benefit; give the middle income \$1,000.

In this budget is a continuation of the dividend and capital gains tax cut. Those cuts will provide a millionaire, on average, with a tax cut of \$35,000. Somebody earning \$50,000 to \$200,000 gets \$112. Let me go through this again. This is the Urban-Brookings Tax Policy Center that has done this calculation. The dividends and capital gains tax cut that my colleague was praising gives those who earn less than \$50,000 a year, on average, a \$6 tax reduction. That is the vast majority of people in this country.

For these tax types—dividends and capital gains—the average savings for an American earning less than \$50,000 is \$6. For somebody earning \$50,000 to \$200,000, they get a tax savings of \$112. And the dividends and capital gains tax cuts are a major part of this budget.

For those earning \$200,000 to \$1 million, they get an average tax cut of \$1,480. But for those who earn more than \$1 million, they get, on average, a tax cut of \$35,000.

Now, this is some people's sense of fairness; it is not mine: \$6 to those who earn less than \$50,000 a year, and \$35,000 to those who earn more than \$1 million. We have the biggest deficits in the history of the country, and no end in sight, and this is what we are going to do? That is what we are going to do if we pass this budget.

Our friends on the other side say: Well, those who are at the top pay more in taxes. That is true. Those who are at the top pay more in taxes. That is absolutely true. But do you know what, they are getting 30 percent of the benefit of this tax cut, and they pay 16 percent of the tax burden. So they pay more, but they are getting much bigger benefit than what they pay.

My friends, at some point we are going to have to deal with reality. The reality is, we are not paying our bills in this country. We are not coming anywhere close to paying our bills. And our friends on the other side come with a budget that says we have no intention of paying our bills any time in the foreseeable future. We are not going to come anywhere close to paying our bills.

Then you get to the question of priorities, which is a very important question as we go forward. Let me say to my colleagues, for those earning over \$1 million in 2006, the total cost of the President's tax cut proposals for that 1 year alone is \$32 billion. Let me repeat that. For those earning over \$1 million a year in 2006, the tax cuts to them cost \$32 billion in that year alone.

On the other hand, the cost to maintain veterans funding at the 2005 level would be about \$300 million. So in this budget, they are saying it is 100 times as important to give the Bush tax cuts to those earning over \$1 million a year as it is to maintain funding for our veterans. Is it 100 times as important? Is it 100 times as important?

Well, it is not only veterans. That same question can be asked of the COPS Program that has put 100,000 police on the street to make our cities and towns safer. Again, the cost of the tax cut for those earning over \$1 million a year in 2006 is \$32 billion for that year alone. The money to restore the COPS Program would be \$500 million. So what you have to ask yourself is, is it 60 times as important or could the very wealthiest among us, those earning over \$1 million a year, give up one-sixtieth of their tax cut for that year to keep 100,000 police on the street? I think that is a question we should ask. I know what my answer would be.

Education. It would cost \$4.8 billion to restore the education programs cut in the President's budget. Again, for that same year, the tax cuts for those earning over \$1 million cost \$32 billion. Would the wealthiest among us be willing to give up one-sixth of their tax cut to restore the cuts to education?

The same applies to community development funding. I have heard from virtually every mayor in my State. It costs \$1.7 billion to restore the cuts

there. At the same time, we are going to give a \$32 billion tax cut to those earning over \$1 million a year in that 1 year alone.

Low-income heating assistance. It costs \$220 million to restore the money, a little tiny sliver on the chart—\$220 million. At the same time, we are going to spend \$32 billion on tax cuts for those earning over \$1 million a year.

For agriculture, this chart looks at it in a little different way. The President is cutting \$7.5 billion there. The cost, over the same period of time, for those earning over \$1 million a year is \$185 billion. That is 25 times as much.

My friends on the other side say that somehow this budget is going to reduce the deficit. No, this budget does not reduce the deficit. If we compare it to the Congressional Budget Office's baseline—there are no policy changes; we continue what we are doing now—this budget increases the deficit each and every year.

The biggest increase is in the next year—\$63 billion of additional deficit if we pass this budget compared to continuing what we are doing now. If we make no policy changes, just continue what we are doing now, we would have \$63 billion less in deficit than if we pass this budget.

I want anybody who votes for this budget to go out and explain to the American people why, at a time of record budget deficits, they are passing a budget that increases the deficit. I want to hear that explanation.

Again, when we go back and look at the things that have been left out of this budget compared to, if we go back and include the additional war cost that is left out of this budget, the alternative minimum tax expense that is excluded, if we take the money that is being diverted from Social Security and used to pay for other things, here are the operating deficits we see under the budget that is before us. It is a little better than the President's, but not much: \$587 billion, \$583 billion, \$582 billion, \$582 billion.

What is all this talk about cutting deficits in half? The only way they get there is they leave out things. They leave out the money they are taking from Social Security. They leave out the money for the war. They leave out the money for the alternative minimum tax. Just leave out things. If you put them back, massive deficits.

This is what is going to get added to the debt, not the numbers they are talking about. This is what is going to be added to the debt.

And if you doubt this is the case, let's look in their budget. Let's look at their own document. This is their own budget resolution. Let's look year by year. I have said that they are going to be adding almost \$600 billion a year to the debt. I understated it. I apologize. They are going to be adding much more to the debt than that. I was just doing an operating budget.

If we look at what their own document says, they are going to add to the

debt every year. For 2005, \$669 billion is going to get added to the debt, according to their own calculations. Next year they are going to add \$636 billion to the debt. The next year is \$624 billion. The next year is \$622. By the fifth year, 611. Where is the cutting of the deficit? Where is it? It is magical. There is no cutting. This is what they say about their own budget.

This is what they say they are going to add to the debt. This isn't my number. This isn't my presentation. This is theirs. This is from their own budget document. And what does it say? They are going to add to the debt \$600 billion every year of this budget.

The President says it is important to do something about the deficit. They say it is important to do something about the deficit. They are not doing anything about the deficit. That is their own calculation about what is going to happen.

Remember what the President told us about 2008. He told us in January of 2001 that there would be virtually no debt left by 2008. That is what he told us. This is what we now believe the debt will be in 2008. Instead of virtually no debt, we are going to have almost \$6 trillion of debt. This is what he said was going to happen. This is what is really happening.

The President of the United States has been wrong by a country mile on every one of his major assertions about the fiscal condition of our country. It has real consequences.

When we look at the budget that our Senate Republican colleagues have put up, let me just say it is a little bit better than the President's in some ways. But it still has additions to the deficit, bigger deficits, more debt by their own calculations. It still has flawed priorities. Here is veterans funding. It costs \$300 million to maintain veterans funding. They are going to give \$32 billion in tax cuts to those earning over \$1 million a year. On the COPS Program, it costs \$500 million to restore the cuts in the COPS Program and put 100,000 police on the street. But they would rather give—in fact, by a sixtyfold margin—tax cuts to the wealthiest among us. That is more important to them.

It is more important to them to give those tax cuts to those earning over \$1 million a year than it is to restore the cuts to education, six times as important. Are those really the priorities of this country? Is that what this country thinks is important?

I will have more to say about this budget as we go forward. But this is a budget that is not facing up to the real challenges facing our Nation. This is a budget that basically ducks and runs. This is a budget that basically says: We don't have to worry about that. We will talk as though we are worried. We will use the words. But the actual budget is not going to do anything about these mounting deficits and debt that fundamentally threaten the economic security of the country.

We should be doing much better than this. At some point, I hope it is not a crisis that gets us that. I still believe we have the ability and the will to act to face up to the crisis rather than letting it overcome us. But this budget doesn't face up to it. This budget doesn't do that. This budget just lets the good times roll—more tax cuts, more spending, even though we cannot pay our bills now. I believe deeply that is a fundamental threat to the economic security of our country because we are not just borrowing this money from ourselves anymore, we are borrowing from countries all over the world. That makes us vulnerable to their decisions about whether they are going to continue to loan us money.

I believe it is past time for the President to reverse course and to call on Congress and to put his administration to the task of an overall plan to face up to the shortfalls in Medicare, in Medicaid—by the way, the shortfall in Medicare is eight times the shortfall in Social Security. The President has no plan to deal with that, none. He would rather focus on Social Security, which is a challenge, a long-term funding problem. I will repeat, the funding problem with Medicare is eight times as big as in Social Security. My own view is that we ought to be working on it all. We ought to have everything on the table—Medicare, Medicaid. I salute my colleague from New Hampshire who put a focus on Medicaid, where spending is going through the roof in States and for the Federal Government, but we ought to be putting the focus on all of these areas, including the budget deficits, because I believe only in that way will we come up with a plan that really strengthens the country.

I yield the floor.

The PRESIDING OFFICER. The Senator from New Hampshire is recognized.

Mr. GREGG. Mr. President, I thank the Senator from North Dakota for his presentation. I wanted to respond to a couple of items. I think they go to the essence of the issue here. First, the vast majority of the Senator's time has been spent discussing the President's budget. We are not voting on the President's budget. I will admit that the blueprint for our budget was based off of a large percentage of what the President proposed. But there are very significant items the President didn't have in his budget that we have in ours.

Specifically, as to this argument that there is no funding for the war, our budget has funding for the war. We have a reserve fund of \$50 billion, the purpose of which is to pay the cost of the war in the next budget. No, it doesn't have reserve beyond that because, hopefully, we will be out of the war when 2007 rolls around. Even if it is not, it is appropriate to wait until the 2007 budget before we go forward with another reserve account, when we will have a more accurate estimate. But the \$50 billion for 2006 is reasonable. Progress is being made there.

It is very interesting that folks in this body who for so long have criticized the President for pursuing terrorism through the war in Iraq, which has been one of the primary issues in the fight on terrorism—now when things are going fairly well, they are suddenly complaining we are not putting in the money to fight the war in Iraq. Things in the Mideast, as a result of this President standing up and following through in the face of a lot of naysayers and second-guessers and Monday morning quarterbacks and folks who simply don't have confidence that we as a nation can project liberty across the globe—those naysayers have found that maybe they were wrong. They are not willing to admit it yet, but an election in Iraq was a huge success; the Palestinians holding an election, a huge success; movement toward peace between Palestine and the Israeli Government, a huge success; Syria pulling out of Lebanon, a huge success with people in the streets demonstrating for peace. Egypt is moving toward an election—not necessarily the most open election—freeing the No. 1 dissident and opposition party leader just this weekend. Democracy seems to be making progress in that part of the world, and with that we are undermining the breeding grounds of fundamentalist Islam which has targeted America because we stand for freedom around the globe, and because we stand for women's rights, because we stand for a market economy. We are making progress.

Now they want to have it both ways. They want to say Iraq was terrible, wrong, and should not have occurred, even though things are progressing there and it looks as if there is an end in sight. Then they say, Now you have to budget for 5 years from now to be in Iraq because that is what we are planning to do, when, of course, that is not what we are planning. These are one-time items, the fighting of the war in Iraq. It should not be built into the defense base. We did not build it in because 2 or 3 years from now, when we are no longer in Iraq, I don't want the defense base inflated by that number. I want it accurate according to what the Defense Department calls for relative to its needs. So we put in the \$50 billion for fighting the war in Iraq.

So when the Senator from North Dakota talks about the failure to address the issue of reserving for the war in Iraq, he is referring to the President's budget, not the budget that is before us.

On the issue of Social Security, the Budget Committee doesn't address Social Security. That is by law. There will be a lot of talk about it on the floor, but we have no authority to do anything in Social Security. The idea that we should actually account for Social Security, when the Democratic Party has said they are not going to do anything on Social Security—they are going to bury their head in the sand on it and walk in lockstep on Social Security,

relative to burying their heads in the sand, so that the likelihood of moving legislation through this body is significantly less because it takes 60 votes to move it through here. When you are facing that type of stonewalling on a critical issue that should be addressed, why would anybody put it in the budget when, first off, we are not supposed to address Social Security? Why would they put it in the budget when you cannot legally put it in? And even if you could, why would you put it in in the face of that type of opposition, especially when it is such a fluid situation?

On the issue of revenues hemorrhaging, again, the Senator from North Dakota referred to charts with red lines going here and there. They were the President's numbers, they were not the budget numbers. The budget has basically not taken that tack. We have talked about the 5-year window, and it is an accurate discussion of that 5-year window. What is important to note, however, from the proposals from the other side is that there is no proposal, no budget being brought forward. There is a lot of criticism about the budget but no budget being brought forward.

As the Senator from North Dakota said in the markup: Listen to our amendments to see our budget structure. Fine, we will listen to their amendments. I note that in the markup, when the Democratic Senators had the opportunity to put forward a budget, they did not. But they did put forward a lot of amendments. They put forward about 10 or 12 amendments on just about everything from worthless programs, such as ATP, to programs that have value but we have not necessarily figured out how we are going to pay for them, such as CDBG.

In the total, their amendments added up to \$229.8 billion of new spending, and then their amendments added up to either \$244.9 billion of new taxes or \$276.9 billion of new taxes, depending on how you account for the tax on the top income people in this country. They did put forward a proposal. It was their budget, and it was your classic tax-and-spend budget, \$229 billion in new spending and \$244 billion or potentially \$270 billion in new taxes.

Why is it important to mention that? It is important, first, because that is the definition they gave to their budget, but it is also important to understand the difference of opinion here. You cannot on one hand talk about need for fiscal responsibility when on the other hand you are proposing \$229 billion of new spending. You cannot discipline the Federal Government by raising spending.

The American people are not a fundamentally undertaxed people. The American people pay a lot of taxes. The concept that you can continue to raise taxes and continue to spend money does not work. You have to discipline the spending side of the ledger.

We have done it. Granted, we have not done it as well as I would like; I

would like us to slow spending a lot more, but we have done it. We have frozen nondefense discretionary, we slowed the rate of defense discretionary to 4.5 percent, and we did not stick our little toe in the water, but we came to the water's edge and looked down at the issue of entitlement accounts, specifically Medicaid. That is what is important about this debate. This is the essence of the budget, the question of how we deal with Medicaid.

The Senator from North Dakota and I agree on this subject—we agree on a number of issues, but what we agree on is that the outyear issue in this country is entitlement spending, and at the essence of that issue is health care spending. And there are two accounts, Medicare and Medicaid. The Senator was correct, this budget does not address Medicare. Hopefully we will do it later on. But it does address the other major leg of this problem—there are three legs to this issue; it does not address Social Security—and that is Medicaid. The three legs are Medicare, Medicaid, and Social Security.

This is the essence, this is the point of this question: You cannot tax your way out of this problem. You cannot raise taxes enough on the next generation that they will ever be able to afford the present programmatic activities we have on the books in the area of retirement benefits in this country. You cannot do it. We are not as a nation going to physically be able to do it, and this chart is the essence of that point. I do not use a lot of charts because sometimes they do not show up, but in this case, I am going to use this chart.

The historic spending of the Federal Government is 20 percent. If You get much over 20 percent, you have put in a tax rate which people cannot absorb. They do not make enough money to pay for it and still have a decent lifestyle. It reduces productivity and job creation if you start taxing people at rates over 20 percent, even over 18 percent, for that matter.

The cost of Medicaid, Social Security, and Medicare, by the year 2027, 2028, will absorb 20 percent of America's spending; 20 percent of the GDP of this country will be spent on those programs. And it keeps going up. So you cannot possibly raise taxes enough.

You could confiscate the wealth of every American in the top two brackets, which may be a proposal that will come at some date from the other side of the aisle—that was a proposal before Ronald Reagan was President when the 70-percent rates were in effect—and you still could not pay for the cost of these programs. The only way you can handle this is to begin to get a hold of the rate of growth of these programs, to put in place some structure that will control the rate of growth of these programs.

Social Security is being addressed in a forum outside this budget, in a debate outside this budget, although it is going to be brought into this budget—

the debate will, the substance will not. With respect to Medicare, last year we passed the Part D program and, therefore, there is a desire to let that percolate until we figure out how that shakes out before we move on that.

The last leg of the stool is Medicaid. This budget begins a minor effort in the area of Medicaid. As I said in my opening talk, there is \$14 billion of restraint in growth on a \$1.12 trillion spending package, reducing the rate of growth from 41 percent to 39 percent over the next 5 years, all of which can be done without impacting the quality of services and, in fact, I suspect we will run into a lot of Governors who think it can be done and improve the quality of service by giving them more flexibility in how they distribute the benefits amongst their people in the States more efficiently than being subject to a lot of strings out of Washington.

This Medicaid issue is the core question and, of course, we look forward to the Democratic response to that, whether there will be a position that Medicaid reconciliation should be knocked out of this bill and a majority on the other side votes for it, or all on the other side of the aisle, for that matter.

The Senator from North Dakota also addressed this issue of borrowing. This issue needs to be touched on briefly because it is a big issue. The value of the dollar as the currency that is basically the currency of the world is one of our great benefits as a nation. It has been weakening. The dollar has been weakening.

The practical effect of a weaker dollar, of course, is that we export more goods. There is a lag time, so we have not seen it immediately, but over time, we will see more goods exported, and also the cost of oil being \$55 a barrel undermines the ability to export, the ability to offset that trade balance.

We cannot afford to have the dollar weakened too much. We cannot afford it for a lot of reasons, not the least of which is the need to have capital flowing into the United States. We want capital from around the world coming to the United States. I do not find it objectionable that the people of Japan find it safer to invest in the United States than in Japan. That says something about the strength of our economy.

I do not find it objectionable that the people of France, when they look around the world and decide where they want to put their money, do not want to put it in some company in France but want to put it in a company in America. I think that is probably a pretty good sign that we have a pretty darn strong economy and a place where people feel they can invest and invest safely and get a decent return. But their willingness to continue to do that means the dollar cannot depreciate against the franc they put in here or against the yen they put in here. It is that simple.

If you are going to invest a yen—say 1 yen is worth 50 cents, something like that; I do not know what the yen is today; it is nowhere near that—you are not going to want to invest if that dollar is going to weaken so that when you take your yen back out, you have lost money simply on the exchange rate, even though you may have made a good investment in the United States.

So having the dollar drop precipitously is a huge problem for us, but it is not a problem from a standpoint of exports, and it is not a problem right now of people willing to invest here. Those are signs of good economic values. But it is a problem if, over the long run, it causes the dollar to weaken to a point where people do not feel comfortable investing here because they feel they will lose money in the exchange rate, even though they may make a good investment.

Critical to maintaining the confidence of the international community in the dollar is, quite simply, our willingness as a Federal Government to be fiscally disciplined. They are looking at this budget process and they are saying, hold it.

If the position of the Democratic Party is that the way we get fiscal discipline is by spending an extra \$229 billion over the next 5 years, that is not discipline. Fiscal discipline means one contract—or not contracts; we never contract. At least the rate of growth of Federal spending in core accounts is slowed down.

Yes, we are fighting a war, but those are one-time expenditures and they will be over. When they are over, they will be taken out of the base. They will not even be in the base, hopefully. So we do need to put in place some mechanisms which will say to the world markets and our own financial markets, yes, the Federal Government is serious about disciplining the rate of growth.

Two of those key elements are, one, a strict cap on spending on the discretionary side, which is in this bill, 3-year caps enforceable with a 60-vote point of order, and two, a move on entitlement issues so that we restrain the growth of the entitlements through reconciliation. Both of those elements are in this bill. The time restraints are not as big as I like, but they are there. Yet, as I listen to the other side of the aisle, all I hear about from their amendments is, let us knock those restraints out, let us shoot through those restraints, let us lift that cap, let us knock out those reconciliation instructions, and let us spend more money. We will raise taxes to do it, but we are going to still spend more money. That is not disciplining the Federal Government, and it is not going to improve the value of the dollar if we do that.

So this issue of borrowing is a complex one, but it does make a statement about where we are as a matter of policy, and if we wish to improve the value of the dollar, we need to pass a budget that has fiscal restraint in it.

I yield the floor.

The PRESIDING OFFICER (Mr. CHAMBLISS). The Senator from North Dakota.

Mr. CONRAD. Mr. President, the words of my colleague are right on target. I wish the budget matched the words. The Senator acknowledges the need for fiscal discipline. This budget does not provide it. As I have indicated and shown from their own numbers, the debt goes up \$600 billion a year under the budget the Senator advocates. That is fiscal discipline? No, no.

My belief is that fiscal discipline represents a deficit going down, not going up. My view of fiscal discipline is one that reduces the debt, not increases the debt.

The Senator's own budget documents show that he is going to add to the debt \$600 billion a year each and every year for the next 5 years. And they call that fiscal discipline? I mean really, this stands words on their head.

It reminds me of Orwell: War is peace, love is hate. Fiscal discipline is adding \$600 billion a year to the debt? Please.

Now, the Senator says we did not offer an alternative in the Budget Committee. That is true. We offered alternatives by amendments. The Senator says we would have added spending. The Senator is correct. We paid for every dime of it and over and above. What was the spending we added? The Senator says we added over \$200 billion in spending. The Senator is correct, and \$200 billion of it was to pay for the war they do not pay for. Now, who is being straight with the American people—those of us who paid for the war or those who make believe they do not have to pay for it?

We provided the revenue to cover the cost. That is a new idea around here, to actually pay for something. Those are the amendments we offered. If we take out our amendment to cover the war costs, we offered \$20 billion of spending and \$47 billion of deficit reduction. We had more in deficit reduction than we had in spending, and we paid for the war. That is fiscal responsibility.

There is no fiscal responsibility in a budget that adds, by its own terms, by its own calculations, \$600 billion a year in debt. That is not my estimate; that is theirs.

Let us review the history because history is important. This goes back to 1980. The red line is the spending line of the United States. The green line is the revenue line. One thing our Republican friends have been very consistent about is massive deficits. That is what happened the last time they were in charge back in the 1980s: massive deficits, much more spending than revenue. Then the Democrats took over. The spending went down.

The Senator says spending never goes down. Wrong. Spending went down as a share of gross domestic product, which is what the economists say is the best way to measure it because it takes out the effects of inflation. Spending went

down from 22 percent of gross domestic product to just over 18 percent of gross domestic product when the Democrats were in charge. The revenue went up. Yes, we raised taxes on the wealthiest among us so we could balance budgets, so we could pay for things.

What was the result of those policies? The longest economic expansion in our Nation's history, the lowest unemployment in 30 years, the lowest inflation in 30 years, and one of the strongest periods of business investment in the Nation's history. That is the result of those policies combined with private sector initiatives made possible by real fiscal responsibility.

Our friends always want to concentrate on the spending side. They forget that deficits are the result of the relationship between spending and revenue. They never want to talk about the revenue side because look what happened on the revenue side on their watch. It collapsed. Even with spending that increased again under their watch—I am not faulting them for this increase in spending because it was largely defense and homeland security—the fact is the spending increased.

Look going forward; their spending continues to go up.

Meanwhile, the revenue goes up a little bit, but it is far short of what they want to spend. So what they are telling the American people is, more deficits, more debt, more deficits, more debt. That is their plan. And then what? What are they going to do when the baby boomers retire? I can tell everyone what they are going to do. They are going to slash Social Security. They are going to slash Medicare. That is going to be their answer. Meanwhile, deeper and deeper into debt we sink.

Is my colleague seeking time? I am happy to yield time to the Senator off the resolution.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. DORGAN. Mr. President, I have listened with interest this morning to a fascinating debate and discussion about this country's budget priorities.

My colleague from North Dakota, Senator CONRAD, knows of a man I have spoken about previously on the Senate floor. His name is John Smith. John Smith is called the Flying Farmer from Makoti, ND. What John Smith does is he gets these old cars and he goes to county fairs. He builds a ramp and jumps three or four other cars. He is kind of a daredevil. He works in a machine shop in Makoti, ND, and then he bills himself as the Flying Farmer from Makoti. During the summer, he goes to all these county fairs and does daredevil stunts.

The Flying Farmer, John Smith, is actually in the Guinness Book of World Records, and here is what his distinction is:

He drove a car 500 miles in reverse, averaging 36 miles an hour. Let me say that again. He is in the Guinness Book of World Records for driving a car 500

miles in reverse, averaging 36 miles an hour. That record might well be supplanted by this budget resolution, talking about going in reverse consistently for a long period of time. He may have nothing over the budget resolution that came out of this committee. This moves this country backward. In my judgment, it does nothing to address the central issues facing us in fiscal policy. I believe my colleague described the accurate numbers. If we go to page 5, for example, what we find is this: Federal debt subject to limit. Line 6 says, in fiscal year 2005, that Federal debt subject to limit is going to be \$7.9 trillion, and then at the end of the fifth year of the budget, it is going to be \$11.1 trillion. So this budget resolution calls for a dramatic increase in the Federal debt. Yet we have people coming out saying look at this budget resolution, what a responsible thing this is. It moves us in exactly the right direction.

That is nonsense. This is what it does. On page 5 it says we are going to dramatically increase Federal indebtedness from \$7.9 trillion to \$11.1 trillion over 5 years.

That is one thing. And this increase, incidentally, games the system because it doesn't include money for the war in Iraq and Afghanistan. It doesn't have money for many other things. But even with what it does have money for, on page 5, line 11, it tells you the truth of the matter. The truth is, this budget document calls for a dramatic increase in Federal indebtedness over the 5 years. Does that mean we are going in the right direction, or does that mean we are going in reverse? We know the answer to that.

The debate about the budget is more than just a debate about numbers. It is a debate also about values. What does this country stand for? What are our choices and priorities? What is our value system?

One hundred years from now everyone in this Chamber will be dead. Everyone now serving in the Senate will be dead 100 years from now. But the one lasting impression of who we were, what we stood for, what we thought was important, what our value system was, will be found in a budget document that says: here is what they decided to invest in. Here is what they spent money on. Here is what represented their value system. It is all historians will have to evaluate who we were and what did we decide was important in our lifetime.

This budget submission has some budget cuts. Let me describe what they are. We are spending less money on veterans than we need to spend to keep the current veterans programs funded. This budget includes a cut in veterans programs. The same is true in education, not enough money for current funding to continue, and the same for law enforcement and agriculture.

You can take a look at these and say, "veterans," that's just a word. It is a lot more than a word. It is folks who

put on this country's uniform and went anywhere in the world they were asked to go and fought for this country.

I told my colleagues previously about a wonderful veteran. I pinned a medal on his pajama top one Sunday morning in a veterans hospital. He was an American Indian who fought in Africa, fought in Normandy and across Europe, came back and lived on the Indian reservation. He never had much, had a tough life.

His sister said: Can you get my brother his medals? He never got his medals from the World War II service. So I got his medals for him. He was very sick with lung cancer. At the VA hospital one Sunday we cranked his bed up to a seating position, and I pinned the medals on Edmund Young Eagle's pajama top 7 days before he died of lung cancer. And Edmund Young Eagle said, "This is one of the proudest days of my life," because he served his country, and his country was saying thank you for what he did for America.

He didn't have very much in his life, but he was proud in his service. We have veterans coming back today, every day, who served in Iraq. We have World War II veterans who are reaching that age now where they need substantial health care help. At this very time we discover there is not enough money for veterans health care.

I asked the Secretary of Defense the other day, What is the difference between a soldier who is on active duty and a soldier who is now off active duty, trying to cope with a leg that is gone or a shrapnel wound in the head? What is the difference between those soldiers? They both fought for this country. There ought to be no difference. They both represent the cost of war: the cost of a soldier on active duty, or the cost of health care for a soldier who comes back and is now part of the health care system and needs some assistance.

The question is, What is our value system when we say as a country, veterans health care, that is not quite so important? That sort of gets short shrift. It takes second place to, let's say, a tax cut. In fact, this budget resolution says we need tax cuts more than we need to fully fund health care for veterans. What kind of a value system is that? Whose priorities are those?

Education—we all understand the value of education. This is more than spending. This is an investment. Our future is what our kids will be and what our kids allow America to become. So when we invest in education we invest in America's future. When we decide there are things more important than education, such as tax cuts for wealthy Americans, we shortchange our country's future. Yet we are told there is not enough money to fully fund veterans health care. There is not enough money to fully fund education.

Law enforcement: we know the scourge of methamphetamine addiction and production in rural areas of the

country. This budget cuts Byrne grants, and the other programs that are so important for local law enforcement officials to wage this battle and make this fight. But we are told in this budget resolution we don't have enough money for that.

And family farming—these are America's economic all-stars. They are the ones who get up in the morning under that yard light that was lit all night long over that farm family. They say: We are going to work today to try to grow some food, make that soil produce a crop and then sell that crop at the elevator to feed a hungry world.

We are told we now have to change the rules on the farm program. That which we promised farmers, for an ability to get over periods when we have lower prices or tough times, we have to revoke that promise.

So these are the priorities in this budget resolution. We can't afford health care for veterans, education, law enforcement, agriculture.

Let's look at what they can afford. They can afford tax cuts. For example, this budget resolution allows for the permanent repeal of the so-called death tax. There is no death tax. I don't know how you permanently repeal something that doesn't exist. My colleague, the former Senator Gramm, and I had this debate on the floor before he left. I said: God forbid you die, but when you do your wife will own everything you own. There will be no death tax. There is a 100-percent spousal exemption. So there is no death tax.

However, there is a tax on inherited wealth in this country. And the majority party is intent on relieving this burden on the largest estates in this country. We have, by the way, one-half of the world's billionaires living in our country. The major party is so intent on relieving the tax burden on those multibillion-dollar estates, they are willing to make that a higher priority than funding veterans health care or funding education or funding law enforcement or funding family farmers. Permanently repealing the estate tax is a higher priority for them than doing all these things.

They do have a problem with the death tax, as they call it. They have created a Byzantine system which begins to phase out the tax on inherited wealth until the year 2010. Then in 2011, this tax on inherited wealth, or estate tax, is fully restored. So in 2010 tax on inherited wealth is completely repealed. Then in 2011 it is restored. Of course, no one understands that. It is one of the goofiest things ever done in this Chamber, but nonetheless it was done. So now they say this budget resolution allows for the permanent repeal of the estate tax.

This resolution also allows for the extension of the lower tax rates on capital gains and dividends. This is an interesting issue as well. It is always a very popular subject around here, if you can reduce the tax on capital gains and other investment income. The

President and the majority party would like to have no tax on capital gains. In fact, they would like to tax work and exempt all investment from tax.

Here is what Warren Buffet, the world's second richest man, said about that issue in an op-ed piece that was published in the Washington Post some while ago. He described it in terms of his receptionist working in his office. Mr. Buffet said that he, the world's second richest man, and his receptionist paid about the same tax rate of 30 percent. She pays that high a rate because she pays a payroll tax on all of her earnings. He is one of the wealthiest people in the world. He pays a mix of different taxes on his salary, capital gains and so on. They each end up paying about a 30 percent tax rate, the world's second richest man and the receptionist who works in his office.

If the majority party and the President had their way, and we had a tax system that taxes work and exempts dividends, Mr. Buffet said: At that point my receptionist will be paying a tax rate that is 10 times higher than my tax rate. Warren Buffett said: My tax rate will be 3 percent, and my receptionist's tax rate will be 30 percent. The world's second richest man will pay a 3-percent tax rate, and the receptionist in his office will pay a 30-percent tax rate.

It is almost everything that is wrong with the philosophy of what is in this budget. I have told my colleagues often about a line from an old song by Bob Wills and the Texas Playboys in the 1930s: The little bee sucks the blossom, and the big bee gets the honey. The little guy picks the cotton, and the big guy gets the money.

It is right in the middle of this budget resolution: unburden the big interests and burden the small interests. Give the big guy a break. Give the big guy a tax cut, and lay it on the shoulders of working Americans.

In addition to the budget cuts I have just described, there are other things that are omitted in this budget. For example, there is not sufficient money here for Iraq and Afghanistan. Despite the fact that Congress asked for that to be included, we now have before this Senate an \$82 billion emergency request for Iraq and Afghanistan. We knew Iraq was going to cost money. We are spending about \$5 billion a month for ongoing efforts in those two countries. I was here a year ago and said: Look, this should be part of the budget. Let's at least have some reasonable estimate of how much it will cost. Guess what they put in the budget last year. Zero. Zero. So now we have an \$82 billion emergency request before the Senate.

In the budget for the next year, what did the President have included? Zero. No money. Is this a budget game? And this gets paid how? And the Committee mark includes just a token amount. Senator CONRAD talks about an amendment offered in the committee that

says, maybe we ought to pay for this. If we are going to go to war, maybe not just the soldiers should sacrifice; maybe the American people should be behind them and pay for the costs of it.

No. God forbid in this Chamber we ask anyone to pay for it. In fact, we will not even put a realistic amount of money in the resolution, let alone ask anyone to pay for it. We will have some amendments dealing with that subject.

The President does ask in his budget and this proposal assumes some spending increases. For example, we need to build, they say, a new nuclear weapons earth-penetrating bunker buster. We did not have enough nuclear weapons? There are roughly 30,000 nuclear weapons in the world. We do not have enough, someone says. We need to build a new designer nuclear weapon to penetrate bunkers. We need a penetrating bunker buster nuclear weapon. What a foolish thing to be talking about. Our goal ought to be to stop the spread of nuclear weapons, not talking about building new nuclear weapons. Yet that is exactly what this budget does. We do not have enough money for veterans health care, but we have enough money to build new nuclear weapons, nuclear weapons we do not need with money we do not have.

Of course, there are other areas of spending. Sometimes you can see the broader picture by taking a look at some of the smaller issues. There is one baffling to me. The administration proposes, and this budget would fund, a doubling of the amount of money to broadcast television signals to Cuba in something called Television Marti. It is ours. We create television broadcasts and signals, and we send those signals to Cuba to tell the Cuban people what democracy and freedom are really like. Of course, they hear that every day on Miami radio stations but, nonetheless, we are telling the Cuban people with television signals how great it is in our country.

There is one problem with that. The Cuban people cannot see the signals. The signals are broadcast from 3 a.m. to 8 a.m., and Castro jams the signals. So we have something called Fat Albert, which is an aerostat balloon. At 20,000 feet on a big tether, it broadcasts television signals to Cuba that the Cubans cannot see, and we will spend \$10 million to do that. And guess what. The President—and this budget—says that is not enough, let's double the funding. If the Cuban people cannot see the signals now, let's double the funding.

It is not as if this budget brings some Spartan approach to spending. There are some areas in the budget where we increase spending at the least opportune time, especially this. We might as well dig a hole and throw money in the hole and cover it up. Just throw money down a rathole. It does not make any sense at all, but they want to double the funding. Do you know why? Instead of using Fat Albert and an aerostat balloon that got away from them once

and they had to chase it down into the Everglades, now they want to buy an \$8 million airplane so they can broadcast signals that Castro will jam so the American people will feel better, somehow, for having sent signals to Cuba that the Cuban people cannot see. Double the funding. We cannot afford veterans health care, but, boy, there is no limit on what we want to do in building new nuclear weapons or building broadcast devices to the Cuban people that the Cuban people can never see.

When we talk about spending, maybe we ought to talk about some of the small things that represent the message about larger issues and ask the question: Why is it you want to spend so much money on all the wrong things?

My colleague, Senator CONRAD, talked this morning about the long term difficulty we have, and it is serious. I notice in the Newsweek Magazine this week "The Incredible Shrinking Dollar" is the cover story. And then inside, on page 38:

... greenback's fall is stoking fears of a global crisis. Behind the slide, a world economy wildly out of balance.

It says that if you have been following closely, you know that the dollar has been declining steadily against many foreign currencies. From recent highs, reached in mid 2001 or early 2002, the dollar has dropped 38 percent against the Euro, 23 percent against the yen, and 25 percent against the Canadian dollar. And then it goes on to explain at great length what the prospect could be:

Worst case scenario, foreign central banks and investors might lose confidence in their dollar holdings, rush to sell American stocks and bonds, consumer and business confidence would drop, and a recession in the United States and abroad might follow.

This is serious.

This year, just this year, we have a budget and a trade deficit that far exceed \$1 trillion. Far exceed \$1 trillion. The combined trade deficit is around \$620 or \$630 billion, but the merchandise trade deficit is even higher, and you add to that the budget deficit, we have a country that is seriously out of balance with respect to its fiscal policies and its trade policies. You cannot hide it. The rest of the world knows it.

It is not that the proposed resolution does not attempt to hide it. This budget, incidentally, on page 5 and 4, brings us a 5-year projection. Why? Why only 5 years? Do you know why? Because they want to tell us things are getting better when they know, and we know, if you go out 10 years, which is what we have always looked at before, in 10 years, this thing just blows out of sight—huge deficits, huge increases in Federal debt. The fact is, because they hide it and don't print it doesn't mean it doesn't exist. My colleague, Senator CONRAD, described at great length this morning the danger of that.

Let me talk about a couple of other issues. The Federal Reserve sits down in this concrete bunker downtown with

about \$11.1 billion in accrued surplus account.

Let me say that again. The Federal Reserve system now has \$11.1 billion squirreled away in a rainy day fund, in case they might suffer a loss. It is pretty hard to see how the Federal agency that creates money is ever going to lose money, but they have squirreled away about \$11 billion just in case they do. This Congress has an obligation to say to the Fed, enough of this. You don't need \$11.1 billion squirreled away somewhere in the vault.

By the way, I won't go into Alan Greenspan at great length except to say he has been one of the great enablers for the current fiscal policy being so widely out of balance. He is the man who stood up in 2001 at the time many of us were cautioning—I know Senator CONRAD was on the Senate floor—saying you can't see 10 years when there was a prediction of 10 years of robust budget surpluses, and saying maybe we ought to be conservative. Maybe you can't see 10 years, but let us at least slow down a bit. The majority said no. President Bush said, no, we want big tax cuts right now locked in place for the long term. Mr. Greenspan, at that propitious moment, weighed in the only way he could. He said: My greatest concern is we are going to pay down the Federal debt too fast.

They need to change the air-vac system in his building. He says: My problem is I worry they are going to pay down the debt too fast. Maybe he ought to be asked now is that his problem? Because now from the largest surpluses in the history of this country we have record deficits and debt on a yearly basis. And I wonder what he is worried about at the moment. Last week he was the enabler, once again. He came back to Capitol Hill and seemed to say: I kind of like these privatized accounts in Social Security.

He didn't highlight the point, of course, that it is going to cost trillions of dollars of additional indebtedness.

I just come back to say that they have \$11.1 billion squirreled away.

I say to my colleagues, Senator CONRAD and Senator GREGG, maybe we ought to take a look at that. I hope to do so by amendment.

Finally, I am going to offer an amendment during the deliberation on the budget that asks us to vote one more time on an issue that ought to be simple but one we can't seem to get passed through the Senate. Under current law, we tell U.S. companies if you close your American manufacturing plants, fire all the workers and move your production to China, Sri Lanka, or Bangladesh, we will give you a big tax cut.

I previously offered on the floor of the Senate an amendment that is very simple. It says if a company shuts down its American manufacturing plant and moves its manufacturing abroad and then sells those now foreign-made products back into America,

you don't get what is called the deferral tax break. It is the most perverse tax break in our entire Tax Code.

If we can't take the first baby step to shut down the tax break that rewards companies for shipping U.S. jobs overseas, you can't do anything that is worthy in this Chamber, in my judgment. So we will vote on that amendment.

The last time we voted on it, 60 Senators said, no, we want to keep the tax break that companies get when they ship U.S. jobs overseas. We believe that is a worthy thing to do.

I wonder if now, nearly a year later, they still think it is a worthy thing to do.

I might observe that none of them in dark blue suits have been among the 2.7 million people who have lost their manufacturing jobs. No one in this Chamber has lost their job because of outsourcing. Maybe that is why there is not quite the urgency in this Chamber that there ought to be. If we can't take the first baby step to shut down this perverse tax break rewarding companies that ship American jobs overseas for the sole purpose of producing goods to be sent back into the American marketplace, then we ought to hang our heads.

I think the question for this Congress is, Where is leadership?

I have described previously as well the John Adams book written by McCullough in which John Adams would write back to Abigail as he was traveling representing our country in England and France. He would plaintively write to Abigail: Where will the leadership come from to help put this new country of ours together? Where would the leadership emerge? Who will be the leaders to put together this new country?

Then, in the next letter, he would plaintively say: There is only us to provide leadership. There is Thomas Jefferson, there is George Washington, there is Ben Franklin, there is Mason, and there is Madison. There is only us.

Every generation of Americans ask the same questions. Who will be the leaders to help steer this country toward a better future and toward expanded opportunities? Who will be those leaders?

I regret that this budget resolution provides no leadership at all on the issues critical to our future.

I admit that both sides now talk about the long-term problems we have. What is going on is unsustainable. Both sides have talked about that.

But the majority that controls the White House, controls the House and controls the Senate continues to try to hide the seriousness of that by bringing us budgets like this and then saying things are really looking up. Things are getting better. They are not.

I ask anyone who wishes to know to go to page 5 and line 11. That is all you need to know. You don't need to know 10 numbers, or 5 numbers—just 1. In the year 2010, we will have a Federal debt of \$11.1 trillion. That is the only

number you need to know. Is that number increasing or decreasing? It is increasing rapidly. You know the number, you know the direction, and then draw your own conclusion. Are we moving in the right direction, or do we need to make a U-turn? Are we really a people who have decided that our highest priority is to protect from taxation the assets of those who have made billions of dollars and who are now subject to an estate tax, a tax on inherited wealth? Is that a higher priority than helping veterans who need health care? Is that a higher priority than helping little kids who are entering our classroom doors, than all of the other things we are talking about? Do we really believe that?

That is exactly what this budget says.

This country will overcome this period. We will at some point have a fiscal policy that is thoughtful, in balance, and moving this country in the right direction. But it is not this fiscal policy.

My colleague, Senator CONRAD, is prone to use a lot of charts. I have kidded him saying he is the only Member of the Senate who finds charts erotic. But charts are very useful to describe what is happening.

I think the chart that he used earlier today which is so important is this chart. It shows the burden of indebtedness that the American people will have to assume, unless we change course. I admit changing course is not easy. But we don't have many choices left.

About 4 years ago, we put in place a fiscal policy that I did not vote. I thought it was the wrong approach because I worried that things would happen that we didn't anticipate; and they did—a recession, an attack on 9/11, a terrorist attack, a war in Afghanistan, and a war in Iraq. And sure enough, those budget surpluses turned to budget deficits. But that didn't seem to deter anybody on either side. They acted as if none of that happened, except to the extent they want to extract some mechanism to deal with it. They want to take it out of veterans, kids, and those kinds of priorities.

I think, again, when the question is asked by this generation of Americans, Where will the leadership come from, it is not from the White House at this point, and it is not from those who control the House and the Senate.

My hope is that in the coming days we have the opportunity to cast votes on these issues. We can consider a series of amendments, have debate, vote, and begin to turn some of this around and begin to see if we can't create an economy and create economic opportunity that will allow the rest of the world to look at this Congress and say they did something that finally recognized the dilemma we are in, and finally made a U-turn to move in the right direction.

My colleague, the Senator from New Hampshire, has said that raising taxes

will not solve any problems. I don't know of anybody who is talking about raising a lot of taxes, but I am talking about choices. Deciding that protecting the wealthiest Americans from a tax on inherited wealth is more important than dealing with veterans who desperately need health care is a bad choice. I think it is a bad priority. It is not about raising taxes. We have every right to revisit tax cuts that were ill-advised.

I would like to have a longer debate, and I shall not do it now. But I would like to have a longer debate about the question of, Why do we decide work has less value than investment? Why is it that this majority decides they want to tax work and exempt investment? Is work less worthy? Why is it they want Warren Buffett to pay a tax that is one-tenth the tax paid by the receptionist in his outer office? That is by his account. He does not agree with them, by the way. He does not think they ought to do that. But that is exactly what they want to do.

It is about choices. It is about priorities. My hope is, at the end of the day, with amendments—I described a couple—we will be able to dramatically improve this budget document.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from New Hampshire.

Mr. GREGG. Mr. President, I assume the time is being allocated relative to speakers by the side for which they are speaking.

The PRESIDING OFFICER. The Senator is correct.

Mr. GREGG. Mr. President, I will briefly comment on a couple of things the Senator from North Dakota said. I agree with his view of the charts of the senior Senator from North Dakota—or maybe he is the junior Senator; actually, I think he is the senior Senator; I never figured it out because he took a year off and came back. But, in any event, I agree with his view of the charts and I want to identify myself with the Senator's thoughts on the Senator's charts.

Independent of that, the Senator got into quite a discussion about Radio Marti and how they wanted \$8 million for a new plane and so on. We are going to hear about a lot of amendments brought up on the floor which are targeted on specific discretionary spending activity the Federal Government is pursuing. They have no relevance to what is happening here in this budget debate because the budget has no specific impact on programmatic activity on the discretionary side. All we do as a Budget Committee is send to the Appropriations Committee an upper-line number, in this case \$843 billion, which becomes an enforceable number.

The Appropriations Committee then takes that number unilaterally, and I assure you with virtually no input from the Budget Committee, and divides that between the different subcommittees in what is known as a 302(b) allocation.

The President sends up his proposal, which again we are not signing on. This is not the President's budget. The President does not sign this budget. We as a Congress do this budget. It is a resolution of the Congress. We have used the President's budget as an outline off of which to develop some of our positions, but the President's budget, again, is a statement of where the President would go on these programs.

The final decision on these programs is going to be made by the committee of jurisdiction, which will be the authorizing committee and the subcommittees of the Appropriations Committee. All we do as a Budget Committee is say: You, Mr. Appropriations Committee, have this amount of money to spend. You can allocate it wherever you want amongst your different programmatic activities.

So for Members to come out here and offer a resolution to increase veterans funding or to increase funding for education or to increase funding for highways, all that does as an amendment is raise the amount of spending which we do. It goes over the cap. There is no obligation under such amendments for that money to be spent where the sponsors of the amendment allege they are going to spend it. Not at all. There is no way to tie the hands of the appropriators or the authorizers, and there should not be. That is their responsibility.

The point we make as a Budget Committee is that we give a top-line number, and then we expect, and we know, that the Appropriations Committee and, to some extent, the authorizing committees, within that number will make their decisions as to how best to spend the money. You will have a fight of priorities. And that is the way it should be.

But any amendment on this floor which says I am going to increase Radio Marti or I am going to increase veterans funding is actually an amendment which is simply saying I am going to increase general spending of the Federal Government. I am going to raise that top line. I am not going to live by that cap. That cap doesn't work for me. I want it to be higher. I want to spend more money. That is what that amendment says. And it does not say that money is going to go to that program which they allege they want to spend more money.

I think this is an important point to make. I intend to make it over and over because we are going to hear amendment after amendment which is specific to some program and in which there will be no impact on that program if it were to pass.

In the Budget Committee, there were offered about 13 different amendments by the other side of the aisle, totaling about—more than 13 amendments, but the amendments that spent money totaled up to about \$229 billion. They would have raised the cap \$229 billion. On the other side, they would have raised taxes by \$240 billion or \$250 bil-

lion. I lost track of how much money they were going to tax and spend. But not one of those amendments would have had the practical effect of actually moving money into the programmatic activity that they claimed it would have gone into. It would have simply freed up money to go above the cap, except in the rare instances where those amendments were targeted on reserve funds, in which case they are treated differently. But, again, they would end up raising the cap in all those reserve fund accounts.

So it is important to understand what we are dealing with here as a budget technically, which is that we are dealing with top-line numbers on the discretionary side and the specific numbers that we give to the different authorizing committees on the reconciliation side. The rest of it is a lot of good show and good press releases, but not a heck of a lot more.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. CONRAD. Mr. President, again, my colleague referred to what Democrats offered in the committee. To be clear, we offered amendments costing \$217 billion. We offset that with revenue of \$245 billion. But one amendment alone of ours cost \$197 billion. What was it? It was to pay for the war. It was to pay for the war. Our friends' budget does not pay for the war. They make believe there are no costs. We do not think it is responsible, so we put the war cost in the budget, and we paid for it. That is fiscally responsible. That is exactly what a budget is supposed to be about.

The President sent up a budget with no war cost past September 30 and said it is hard to estimate. Of course it is hard to estimate. That is what a budget is about. There is no family in America which leaves out the utility bill because it is hard to estimate. There is no family in America which leaves out the food cost because it is hard to estimate.

They leave out things. It is no wonder we are in deep deficit and a massive increase in debt when they come with a budget and they leave things out.

My colleague says the mark has no assumptions concerning discretionary policy, that all he is providing to the Appropriations Committee is a budget authority total and an outlay total. It is true that the budget resolution does not dictate policy decisions to the Appropriations Committee. However, it is also true that there are policy assumptions embodied in the numbers. This is not just numbers on a page. That is not what a budget is about. There are assumptions about how you get to those numbers. And while it is true the Budget Committee cannot and does not dictate to the Appropriations Committee how they use the money allocated to them, it is true there are assumptions behind the budget.

As we look at the assumptions in this budget, we see a striking resemblance to those of the President's. Are we to

assume it is a mere coincidence that the chairman's mark is nearly identical to the President's request? Did that just somehow happen but it is not connected to any policy recommendations? The President has made quite clear in his budget what he anticipates cutting and what he anticipates increasing. In the budget offered by our colleagues in the Senate, the numbers—the big numbers—are the same as the President's numbers.

Now, do they have the same assumptions or different assumptions? Look, I think we all know that they have carefully tracked the President's proposal. They have said that to us themselves. We also know that at the end of the day the Budget Committee says this is the amount of money available; that is it. When you get past that money, it is not going to be available.

The budget determines how much money is available for the Appropriations Committee to spend.

We don't dictate how they do it. We don't dictate how the Finance Committee raises the money. We tell them how much money to raise. We tell them how much money they have to spend. But these numbers didn't pop out of nowhere. They are based on assumptions of how much each of the committees would get for all of the purposes contained in their area of responsibility. We know this budget is tightly linked to the President's budget. In fact, the numbers of spending are the same. These amendments do send a clear signal on what the priorities are of the Congress.

The PRESIDING OFFICER. The Senator from New Hampshire.

Mr. GREGG. Mr. President, I want to make one point. The Senator from North Dakota continues to return to the concept that this budget does not account for the war. It is important to note that this budget accounts for the war in the year of the budget. This budget is a 2006 budget. There is \$50 billion of money put into a reserve fund for the purpose of paying for the war in the 2006 budget. The President's budget didn't do that, but this budget does.

In my opening statement I explained why we decided not to go to the 2007 number or the 2008 number, both of which are very difficult numbers to reach, because this war is hopefully going to be winding down by then and we can reduce the number significantly, and why we didn't put it in the base, which would have been a mistake, because we don't want to inflate the defense budget by an amount which should be a one-time item which is the need to fight the war.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. CONRAD. Mr. President, let me respond briefly by saying, I commend the Senator for putting \$50 billion in his budget. I referred in my earlier remarks to the President's budget that had no money past September 30 of this year for the war. In the Senator's budget, it is true, he has put in \$50 billion

for the coming year. But that is well short of what the Congressional Budget Office tells us is going to be necessary. The amendment we offered on our side in committee was to fully fund the war obligations according to what the Congressional Budget Office has told us would be required.

Mr. President, I am happy to yield 20 minutes to my colleague, the Senator from Oregon, who is a valuable member of the Senate Budget Committee.

The PRESIDING OFFICER. The Senator from Oregon is recognized for 20 minutes.

Mr. WYDEN. Mr. President, I thank the distinguished Senator from North Dakota.

I come to the floor this afternoon to talk about the way this budget deals with the fastest rising costs in America, and those are our medical bills. I am going to talk about two areas—Medicaid, and the question of prescription drug coverage under Medicare.

I want to start by saying that regretably in this budget, health care is done wrong. It is set up in a way that we are going to regret, and we are going to regret greatly. I want to take a few minutes to talk about why this budget gets it wrong on the health care issue. Health care is so important because of the demographic changes with which we are faced.

First, with respect to the Medicaid program, the way I would describe this Medicaid budget is hurt the poor now, talk about reform later. I say this recognizing that I know that is not the intent of the distinguished Senator from New Hampshire. It is certainly not the intent of the Secretary of Health and Human Services, Mike Leavitt, who I know means well. But regretably, that is what is going to happen under this Medicaid budget.

The distinguished Senator from New Hampshire, when he talks about Medicaid, constantly says: We are not cutting Medicaid. The Senator from New Hampshire is correct in saying he is not cutting Medicaid. But he is certainly going to hold down the rate of growth in the program. So the Senator from New Hampshire cuts the ability of State and local governments at a crucial time when they are getting more people enrolled because of the hardships in the economy and when there has been a failure to deal with the long-term care issue. These factors are driving up the cost of Medicaid. The Senator from New Hampshire is right that this is about the rate of growth. But this budget is going to cut the ability of local governments and States and poor people to pay for these medical costs at the very time when States are going to need the dollars in order to deal with the increases in enrollment and the fact that long-term care under Medicaid has not been dealt with.

In effect, what we are going to see is States and the poor get hit with a double whammy. States and the poor are going to have fewer dollars while at the

same time States will not get relief from some of the bureaucratic water torture that is imposed on them.

My home State of Oregon is perhaps the leader in desiring to have innovative approaches in Medicaid. Sometimes I jokingly say: I am a Senator from "Waiver", because my State consistently wants to waive out of the one-size-fits-all approach that is so often taken in health care. Oregon has seen this kind of bureaucratic water torture in a lot of different ways as we have tried to deal with a tough economy and making changes in the Oregon Health Plan. We saw that very often when something innovative was done elsewhere, you couldn't even expedite approval to do that in Oregon or in other states. We see the bias against home and community-based services in Medicaid. I very much want to see the more flexible approach, the more innovative approach that lets the States be used as a laboratory for innovation in the health care area.

But make no mistake about it: Under this budget there are going to be fewer dollars for the kinds of reforms and innovations that are badly needed.

In effect, the real mistake in this budget with respect to Medicaid is it essentially says: Let's put the cuts in funds first before we go ahead with reform. I and others have no dispute at all with the distinguished Senator from New Hampshire and colleagues on the other side of the aisle about the need for reform in Medicaid. There is no question about the fact that innovative approaches used in the private sector have not yet found their way into the Medicaid program.

What the dispute is about is that we think it is going to be harder to get the reforms, harder to get the innovations if you cut off the dollars to the States and the localities right at the time they are having increases in enrollment, at the time that long-term care has not been dealt with, and certainly make it less likely that they will have the dollars they need to put in place the reforms.

Senator CORZINE and Senator ROCKEFELLER, others, and I will be, through the course of this week, seeking to improve this budget resolution as it relates to the Medicaid program, because regretably a lot of poor people and a lot of States are going to get hurt now. The discussion about reform will come later. Under this particular budget, it is going to be hard to get in place some of the reforms that I and Governors around the country, on a bipartisan basis, believe are necessary.

The second area I would like to talk about as it relates to this budget is the question of Medicare and prescription drugs. Where we are headed now is the prospect that early in 2006, the Federal Government will be spending a ton of money on a prescription drug program and covering a very small number of people. That doesn't seem to me to be acceptable in this kind of belt-tightening climate and certainly is not ac-

ceptable with respect to the scarce use of Government resources. A group of Senators and I, on a bipartisan basis—Senators SNOWE, MCCAIN, FEINGOLD, and others—have been seeking unsuccessfully to do what the Senator from New Hampshire has said he wanted, which is to find real savings.

Here is what the Congressional Budget Office said. I see the Senator from New Hampshire here. I want to read to him the sentence specifically from the Congressional Budget Office letter of March 3, 2004.

Paraphrasing, the Congressional Budget Office said: Giving the Secretary an additional tool would put greater pressure on manufacturers and could produce additional savings.

In March 2004, the Congressional Budget Office found, with respect to single-source drugs, there was the opportunity to have leverage like the private sector has, and there would be some savings.

You are going to hear during the course of the week that there are no savings. I hope my colleagues will look at the letter dated March 3, 2004, from CBO that attests to the fact that they believe there is a potential for additional savings. Of course, this was the kind of concern that motivated Tommy Thompson, in his last days as Secretary of Health and Human Services, to say he wished he had the power and clout that the legislation I have authored with Senators SNOWE, MCCAIN, and others, would provide.

I believe that if we are going to adhere to the suggestion of the Senator from New Hampshire that we put a real focus on additional savings, we should not pass up the kind of opportunities that the private sector is using to generate savings, that Tommy Thompson said would be an invaluable tool for him, and the CBO said in March 2004 would provide the potential for additional savings.

I say to the Senator from New Hampshire that, with all of that evidence—the private sector, the Secretary, Congressional Budget Office, and just plain common sense—nobody would shop for medicine the way Medicare is about to shop for medicine. I have compared it to the fellow standing in Price Club buying toilet paper one roll at a time, not using bargaining power. Nobody in the private sector uses their shopping opportunities in that way, but that is where we are headed with respect to the Federal Government. That is what I would like to change.

Senator SNOWE and I and others will be on the Senate floor during the course of the week. I am very hopeful that my colleagues will listen carefully. At a minimum, I believe that giving this opportunity, particularly as it relates to what are called the fallback plans and if the private drug plans ask for help is important. For the life of me, I cannot figure out how this will do any harm. The Secretary would have the discretion to make the decision as to whether to use this power

overall, but it certainly cannot do any harm to start the kind of smart shopping approach that goes on in the private sector every day. That is the way timber companies do it, that is the way auto companies do it. Everybody says: Look, if you are buying something and you are going to buy more of it, you ask the people for a discount for the additional purchases you are making. That is what Senator SNOWE, Senator McCAIN, myself, and others are going to seek to do.

I also hope that as we discuss this in the course of the week, colleagues see that this will perhaps be the only vote in this Senate on the question of prescription drug cost containment through bargaining power. If the Senate Finance Committee, on which I serve, doesn't offer it as part of a piece of legislation coming through the Finance Committee, this could be the only opportunity for the Senate to go on record with respect to pharmaceutical cost containment. I say to my colleagues, when you go home and people ask you about the prices seniors are going to be paying for prescription drugs under Medicare—look at the prices they are paying right now—I would not want to have to explain why I was against having the kind of bargaining power you see in the private sector every single day. So when I come to the floor this week with Senator SNOWE and others, I hope colleagues will see—and maybe there are other ideas out there—that this will be the only opportunity perhaps this year to hold down the costs of prescription drugs before the program is to be implemented next year.

So when colleagues open the newspaper and see that the cost of the program has gone from \$400 billion to \$500 billion and to \$700 billion—and I guess next we will hear about a trillion dollars—I hope they will remember that when they vote on the Snowe-Wyden legislation in the course of the week. This is legislation that Tommy Thompson said he wished he had, and CBO says it certainly has the potential to save for single-source drugs, and that goes on in the private sector all the time. The Secretary of Health and Human Services still will have substantial discretion under this legislation. So I hope colleagues will look at it.

I also make the point, in closing, that this is not just removing what has been called the noninterference language. This goes beyond the so-called noninterference language and says that the Secretary would have to respond when private plans say they need that additional tool, and for what are called fallback plans, where it is deemed that there is inadequate competition.

The question of health care is certainly going to be more important in the days and years ahead. It is going to be very important in the context of this budget because the proposal that deals with the Medicaid program is misguided. It cuts before it reforms. I believe that is going to hurt the poor and it is going to hurt the States.

The Senator from New Hampshire will say—and will say correctly—that it is really not a cut; there is still going to be growth. But the bottom line is that it takes dollars out of the States and local governments to serve the poor when there is a time of increased enrollment and difficulties in paying for long-term care coverage. That is why it is wrong. In addition to the Medicaid part of the budget, the budget does not address cost containment in Medicare prescription drugs. I am very sad we were unable in the committee—on partisan vote, we lost by 2 votes—to get some private sector bargaining power into the Medicare prescription drug program at a time when the costs continue to escalate. Senator SNOWE and I will be on the floor this week about this.

I urge my colleagues to, as they consider this vote, recognize that this, perhaps, will be the only opportunity in this session of the Senate to vote to contain the cost of the prescription drug program before it starts in 2006. I hope the Senate will heed the words of Secretary Thompson, who said in his last days in office he wished he had this power. Under our bipartisan legislation there is an opportunity to respond when the private sector believes it needs additional leverage. It is just common sense.

Unlike the concerns expressed earlier by the Senator from New Hampshire, who was concerned about additional spending, this is going to be about deficit reduction. This is going to be about saving money in one of the fastest growing parts of the Federal budget. It is about getting serious as we try to reign in the costs of health care that are escalating beyond those of any other in our society.

Mr. President, I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. GREGG. Mr. President, I suggest the absence of a quorum and ask unanimous consent that the time be equally divided.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. GREGG. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GREGG. Mr. President, I yield 15 minutes to the Senator from Arizona.

The PRESIDING OFFICER. The Senator from Arizona is recognized for 15 minutes.

Mr. KYL. Mr. President, I thank the Senator from New Hampshire. Let me begin by congratulating the Senator from New Hampshire, chairman of the Budget Committee, for the hard work he has put in, along with members of his committee, in crafting and getting a budget to the floor of the Senate and explaining in very clear and convincing terms not only the state of the econ-

omy right now but the basis for the budget that has been submitted. I compliment him for his hard work in that regard.

I am going to talk for a moment about the economic growth we have enjoyed in this country in the last couple of years and why I think that economic growth has occurred and, to some extent, discuss some of the ideas that have been propounded about increasing the tax rates that we had earlier reduced in the 2001 and 2003 tax cuts of President Bush, which sunset, and they will be increased unless we extend those tax cuts.

In the budget that the chairman of the Budget Committee has presented, there is assumed an amount of money for tax reduction that is reconciled, and among that would be a couple of years' worth of extension of the tax cuts that we passed with respect to capital gains rates and the rate for taxing dividends. In both cases, we reduced the amount of the tax to 15 percent. Both of those expire in the year 2008.

In addition, there are some other tax cuts that expire before then, and part of this budget assumes that those tax cuts will be extended through the life of this budget, which is 5 years or, in other words, through the end of the year 2010. The effect of that is to conform those tax rate cuts with the other tax rate cuts on marginal income taxes, for example, as well as the others that we extended last year so that they would all expire at the same time. We already have at that same time the estate tax being eliminated in the year 2010. So at least we would be sending a couple strong signals as a result of adopting this part of the budget that, No. 1, we believe in these tax cuts, and, No. 2, that we have no intention of letting them expire.

The reason for that is we all want to have in place Government policies that promote economic growth. We all know that the economy is neither created nor sustained by the Government. Sometimes the best we can do is get the Government out of the way and let the entrepreneurial spirit of the American people provide the kind of growth we have come to enjoy. We know a growing economy increases not only opportunities for Americans, provides better jobs, and improves our standard of living, but it also does something else. From a Government standpoint, it helps to bring in more revenue to the Treasury because the more robust the economy, the higher the taxes paid into the U.S. Government Treasury. So there are a lot of different reasons to have a robust economy, not the least of which is to bring in more revenue to the Treasury.

We have created almost 3 million jobs since May of 2003, not even quite 2 years ago, at the time these tax cuts of 2003 were enacted. The GDP growth for 2004 was 4.4 percent, and real aftertax income was up by over 11 percent since the end of 2000. Household wealth is at

an all-time high. I just saw the statistics for my own State of Arizona. Unemployment is 4.1 percent, and for my hometown of Phoenix, it has to be a whole lot less than that.

The bottom line is that all over this country, we are enjoying great economic growth which has created opportunities for everyone. As I said, this comes from private economic activity, not the Government. It is the people of our country who undertake this activity. They either perform a service or they make something, and sometimes they lend and invest money as well, which helps the economy, because they hope to make money with their individual efforts.

We know if tax rates get too high, then people lose some of the incentive to work because the aftertax reward is worthless. In other words, when the tax rate says if you work any more than this, the Government is going to take an increasingly large percent of your money, you do not work more than that. And when people work less, productivity falls. That hurts economic growth and, ironically, it decreases tax revenues to the Federal Treasury.

If governments raise taxes in an attempt to make up this shortfall, the downward spiral is perpetuated because as you take more money out of the private sector, it has less money to generate the capital, the job creation, and the growth that we have come to expect, and, therefore, the economy does not do as well. If it does not do as well, you end up with less tax revenue coming to the Treasury.

So raising taxes may sound like a good idea in the short run, but in the long run it not only hurts revenues to the Treasury, it hurts the economy as a whole.

The best thing the Government can do is to support private economic activity by minimizing Government constraints on productivity. According to economists, keeping tax rates low on work, savings, and investment is what generates sustained economic growth.

I have had the opportunity to meet a very interesting Arizonian. He is the 2004 winner of the Nobel Prize in economics, Dr. Edward Prescott. He is from Arizona State University. He has studied the effect of high tax rates on a person's willingness to work and found, not surprisingly I think, that people do work less as tax rates on labor increase.

It is a classic study of how high marginal tax rates; that is the tax rate imposed on a person's next dollar earned, cause people to actually work less. When people work less, they are less productive. Less productivity translates into less tax revenues for the Government.

If we stop and think about this for a moment, if one wanted to increase taxes and bring in a lot of revenue, why they would set a tax rate of 100 percent. And what would happen if we had a tax rate of 100 percent on our income? Well, why work? All of it is

going to be taken by the Government. The same thing is true if it is at 95 or 90 or 85 or 80.

Some of the European countries, in particular the Scandinavian countries, found this to be true. If taxes are raised too high, people simply will not work because they are giving all of their money to the government. It simply is not the case that more money is brought in by raising tax rates. This Nobel Prize winner found the exact opposite is true.

Similarly, savings and investment generate economic growth by giving businesses access to capital that they need to grow and invest in innovation and to create more good-paying jobs.

The reduced tax rate on dividends and capital gains that I mentioned before encourages private individuals to let business use their money to help expand the economic pie.

There is an interesting argument that it is consumer spending that drives economic growth, but the truth is that consumer spending alone, or even primarily, does not generate sustained economic growth because consumers buy what has already been made, while economic growth requires a provision of increasing amounts of goods and services.

Moreover, our society hardly has a problem with too little consumer spending. In fact, during the last recession consumer spending stayed very strong at the same time that investment had fallen off very sharply. When investment was encouraged by reducing the tax rates on dividends and capital gains, investment rebounded and so did the economy and job creation.

The economic downturn from which our economy has strongly rebounded now is responsible for about half of our Federal budget deficit. Most of the remainder is a result of the spending proclivities of the Congress.

When taxpayers—and that includes both businesses and individuals—earn less money as a result of a recession, they owe less money in taxes. So we can see the effect of the recession on Federal revenues. They went down. The economy lost more than 900,000 jobs from December 2000 to September 2001 and then lost almost another 900,000 jobs as a result of the September 11 terrorist attacks. So these attacks, combined with the collapse of investment following the tech bubble of the late 1990s, as well as the high profile corporate corruption scandals that ensued, triggered a recession and resulted in a precipitous drop in tax revenues which are now beginning to return to normal levels.

At the current level of taxation, the average level of revenue to the Treasury will be achieved by the year 2010, which is the year through which this current budget goes. There is no reason then to modify the tax rates by causing them to go up in order to bring in more revenue. By extending the 2001 and 2003 tax rate cuts through the year 2010, we will be producing the average amount

of revenue that has existed ever since the end of World War II. So the suggestion that Congress repeal the 2001 and 2003 tax cuts in order to alleviate the deficit would be the economic equivalent of cutting off one's nose to spite one's face.

The economic activity encouraged by the tax cuts has pulled our economy out of the recession, and we should not get rid of these successful tax cuts to address an issue, namely the deficit, that is already being addressed very effectively by the budget submitted by the Budget Committee, which will reduce the deficit to 1.3 percent of GDP by 2010.

The final point I address is why we should not use what is called pay-go for policies that would end up hurting our economic growth by applying this so-called pay-go rule to the tax reductions called for in the budget. To understand why it makes no sense to pay for tax reductions in the same way that it makes sense to pay for spending increases, one has to look at how each affects the economy differently. Pay-go, or the requirement that one offset a theoretical loss of revenue on one hand with an increase in revenue on another to net out so that there is the same amount of money, pay-go for taxes is based on two false presumptions: first, that the money belongs to the Government and, second, that it must always be replaced and never reduced.

When we stop and think about it, that is a fairly ridiculous notion, that there is only one level of income to the Government that is appropriate forever and ever. The correct presumptions are that the money belongs to the people who earn it in the first place in the private sector; and secondly, that taxes must be justified by their cost to the economy, which must be growing in order to produce revenues. So it is not the cost to the Government revenues in the first instance that is important. It is the cost to the economy which is what produces those revenues that is important.

When Congress cuts taxes, it leaves the money in the private economy where it can be used most efficiently. It does not cost the Government anything to leave the money in the economy. In fact, as I discussed earlier, when Congress cuts tax rates, it restores some of the incentives for increased work and savings and investment in the economy. So tax cuts such as these not only expand the economic pie for everyone, but they can also bring additional revenue into the Treasury.

There are two recent examples that demonstrate this effect. Historical analysis of revenues to the Treasury from capital gains demonstrates that revenues to the Treasury increased when the tax rates are cut. There are three reasons that a reduction in the capital gains tax rate tends to increase tax revenues. First, the unlocking effect, which expands the tax base, because realizations increase in response

to the lower tax rate. An investor might have been reluctant to sell stock or land or whatever it might be that had appreciated significantly in value because of the tax that would have to be paid at that time. When the tax rate is cut, the investors are then able to decide, hey, the tax rate is cut. I will not have to pay as much in taxes. I will go ahead and sell this stock or this piece of land and realize my gain and have to pay less on it. So it is the unlocking effect.

Secondly, more efficient decisions by investors. When tax rates are low and constant, fewer investors will avoid selling stocks purely for tax reasons, making their investment decisions much more efficient and sensible. This is related to the unlocking effect but also has to do with investors paying less attention to tax considerations in the first place, which is how we would like to have the Tax Code operate.

Finally, an increase in the value of existing assets. When capital gains taxes are lowered, the value of existing assets necessarily increases. Tax revenue rises as owners of stock pay taxes on the higher value of their assets when realized.

So for all three reasons, one can actually see there is an increase in revenue to the Treasury as a result of reducing the rate at which capital gains are taxed.

The recent progrowth tax cuts have actually increased revenues to the Treasury. This is because, as the economy grows, people in businesses have more income on which to pay more taxes, even if they are paying lower rates. How do we know this is true? In the second half of 2004, individual income tax revenue was up 10.5 percent compared to the same period in 2003. So the evidence is there.

Now, why should pay-go not apply to tax cuts but apply to Government spending? As I said, if Congress raises taxes to offset tax cuts, it basically cancels out the benefit of economic effects by not leaving on net any additional money in the private economy where it can be used to expand the economic pie. So if the whole point is to allow more money to stay in the private sector, the point is totally defeated.

The PRESIDING OFFICER. The Senator has used 15 minutes.

Mr. KYL. I ask for 2 additional minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KYL. You totally defeat the point, if you have to replace the revenue by taking it out of the economy somewhere else, if you have to replace it in the Federal Treasury. So it makes no sense to put more money back in up here and then be required to take it out down here.

But the exact opposite is the case with respect to Government spending because it takes money out of the private economy, if you are going to finance that spending. Taking resources

out of the private economy hurts economic growth because these resources could be used more efficiently by private actors than the Government. So if Congress raises marginal tax rates to finance the spending, it will hurt the economy even more by reducing beneficial incentives to work and save and invest. But with respect to spending, pay-go makes every bit of sense in the world. If Congress increases Government spending in one area and then pays for it by reducing Government spending in another area, Congress has not taken resources, net resources from the private economy, alleviating at least some of the negative economic effects of excess Government spending. And by not further adding to the deficit, Congress is acting more responsibly with taxpayer dollars that it does collect.

So the bottom line is that pay-go makes absolutely no sense with respect to tax cuts, the whole point of which is to leave more revenue in the private sector. It makes every bit of sense with respect to spending increases because there your whole point is to try to keep spending level. So if you increase it in one area, obviously you need to cut it by a like amount in another area, thus the so-called pay-go.

I hope these remarks help to make the point that we have a great and robust economy, and that we can sustain that growth by the sensible policies that are embodied in the budget that has been presented by the Budget Committee. I certainly encourage my colleagues, as this debate unfolds, to appreciate the arguments that we have made today and to support the budget that has been submitted.

The PRESIDING OFFICER. Who seeks time? The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, I yield myself one-half-hour.

The PRESIDING OFFICER. The Senator from Massachusetts is recognized for 30 minutes.

Mr. KENNEDY. Mr. President, Americans are a strong and generous people, but this is a weak and selfish budget. It gives more to those who already have the most and further deprives those who have the least. It gives the rich and powerful what they want while denying our families, our communities, our Nation what they need.

Our national budget should reflect the generosity of spirit and the commitment to fairness and opportunity that characterizes the American people. Instead, this budget lacks the courage of American convictions. It betrays our most fundamental beliefs as a nation. As religious leaders of many faiths wrote Congress, this budget turns its back on our Nation's oldest and most enduring values of compassion, justice, and honesty. It demands an unequal sacrifice and so is unworthy of who we are as children of God.

As Americans, we are known for our rugged individualism. We are stirred, even today, by the heroic images of

pioneers pushing westward to build new lives for themselves and their families. But we are also good neighbors. The settlers traveled to the West in wagon trains because they knew that the survival of their families depended on strong communities working together for the common good. They lived by the Golden Rule, not only as a moral mandate but as a necessity. That is our American heritage, neighbor helping neighbor, all of us contributing to our communities and to our Nation to make us stronger.

But this budget turns its back on those values. It assumes that Americans are selfish, that they prefer more tax breaks for wealthy individuals than greater opportunity for everyone. It assumes that Americans are selfish, by cutting back on access to higher education and training instead of enhancing our strength and competitiveness so that more of our citizens can fulfill the American dream in the global economy. It assumes that Americans are selfish, by increasing investments in defense without also increasing our commitment to reducing child poverty in America. It assumes that Americans are selfish, by borrowing billions more each year from Social Security to cover President Bush's distorted priorities instead of paying back the trillions of dollars that the White House has already taken from Social Security to pay for its tax breaks for the wealthy and the corporations.

It assumes that Americans are selfish by providing \$70 billion more in tax breaks, primarily benefitting the wealthiest taxpayers, while cutting billions from Medicaid that would go to provide health care for our poorest citizens. The tax cuts on dividend and capital gains income provided for in this budget will give billionaires an average annual tax break of over \$35,000 while families with incomes under \$50,000 will receive only \$6 per year in tax savings. To assure continuing opportunity for our citizens, we must strengthen our commitment to education and health care. Without these commitments we weaken the American middle class, and the challenge of poverty will continue to grow.

In just the past 4 years, middle-class families have seen their health insurance premiums jump 59 percent, college tuition rising some 35 percent, housing going up some 33 percent, and gasoline up 22 percent.

At the same time, their jobs, the middle class jobs, are being shipped overseas and the new jobs created in today's economy make it harder and harder to provide for their families and plan for their future. The newer jobs provide lower wages, less health care, and fewer opportunities to save for a good retirement.

The answer to this challenge is not to lower our wages but to raise our skills. We must invest more in education and job training.

Just a week ago we had the debate on the floor of the United States Senate

about increasing the minimum wage. We thank all of our colleagues on this side of the aisle for voting for it, and thank the handful of those on the other side voting for an increase in the minimum wage. Britain has now raised its minimum wage to \$9.75 an hour, and it will be \$10.29 an hour in the year 2006. It has seen a decline in unemployment, a steadying of its inflation rate, and has moved over a million children out of poverty.

Nonetheless, we refuse to give hard-working Americans an increase in their minimum wage at a time when those who have opposed our minimum wage are talking about more tax breaks for the wealthiest individuals in the dividend tax rate they are going to propose in this budget. A week hasn't even gone by since they said no to those interested in a raise in the minimum wage, and it is yes to those who are going to get a nice tax break.

When it comes to equipping our citizens for job opportunities for the future, this budget actually cuts back on our national commitment to education for the first time in a decade. The cuts in education over the next 5 years will total over \$40 billion.

Look at this chart, "The Proposed Education and Training Budget." "Cumulative Cut of \$40 Billion Over the Next 5 Years."

The United States responded to the challenge of the Industrial Revolution by developing our high schools. Then came World War II, and what was our response? We had the GI bill. What the figures show is that every dollar that was invested in those veterans of the greatest generation was returned sevenfold into the Federal Treasury.

Then we were faced with the sputniks in 1957. What did we do, cut back on education? Cut back on training? Absolutely not. We went from about 2 cents out of our Federal dollar to 5 cents out of our Federal dollar. Now we are in a downward spiral in terms of supporting education over the period of the next 5 years. This is cumulative some \$40 billion. We ought to be investing in our young people, providing them with continuing education and providing them with continuing skills. This budget cuts back on education and cuts back on the skills.

This chart reflects this budget that is before the Senate. They are advocating increased tax breaks for wealthy individuals, and this chart indicates where those tax breaks are going to come from.

I have shown in the past these budget cuts in a favorite proposal, No Child Left Behind. We will hear from the other side: We have increased it 20, 30, 40 percent over a period of years. But these are the number of children who are going to be left behind in the Bush budget that is before us at the present time. Don't ask those of us who are opposed to this budget, who think it doesn't reflect the best of our national priorities. Go and ask the head master at your local school. Go ask your

school board. Go ask your teachers. Go visit the classrooms. Find the overcrowded classrooms. Ask your children if they are being challenged, whether they are getting the supplementary services? They will tell you they are not.

It is amazing. When we passed the No Child Left Behind, we thought included in that legislation was that at the end of 12 years every child in America was supposed to be proficient. That is in the legislation. Every child in America was supposed to be proficient. How are we going to have every child in America proficient when you are leaving out almost half them a year when we are supposed to have the No Child Left Behind?

When we passed Social Security, we didn't say we are going to leave out 20 or 30 percent; we said all seniors are going to be eligible. When we passed Medicare, we didn't say we are going to just do it for 80 percent or 70 percent; we said it is all Americans.

I liken this to if President Kennedy said we are going to go to the Moon and we went to the Moon and left the astronauts there. Included in going to the Moon was getting the astronauts back down. Not in the No Child Left Behind. We are leaving out all of these children. This budget continues it.

Again, money isn't the only answer in education, but it is a pretty clear reflection of what a Nation's priorities are. In this legislation, we are cutting back on student loans. Tiny increases to the Pell grants will mean college is still less affordable next year for 673,000 young Americans. Cuts are out there in the Gear-Up Program, in the TRIO Program, Upward Bound Programs—initiatives that will open up college doors for millions of young Americans—cuts in vocational education, cuts in adult education. Cuts in job training means that millions of our citizens will be unable to obtain the jobs they need to provide for their families and their communities.

Just look at what is happening now in America. This is the national average of what is happening in our schools across the country. Out of every 100 ninth graders, 68 of these 100 will graduate from high school. Out of every 100 ninth graders, 40 of them will enroll in college, and 27 will stay enrolled as a sophomore. Out of the 100 ninth graders, 18 will graduate on time. This is what is happening in the United States of America with K-12.

We don't say we have all the answers, but we have some. We know you have to have a well-trained teacher in the classroom. We know you have to have a small enough classroom so the teacher can teach the children. You know you have to have parental involvement. You know you have to be able to test children to find out why they are falling a little bit behind so you can get them supplementary services so they can catch up. We know what needs to be done. You have to give some of those limited English speaking

students some additional help. You have to be sensitive to the needs of special needs children.

We know what needs to be done, but this is what is happening now in the United States of America. What does this budget do about it? Virtually nothing. It cuts back on further support. The Bingaman amendment addresses this issue and provides some help and relief in terms of the children.

We will come back to the issues on education, but I want to say another word about what this budget does with regard to Medicaid, which is a lifeline for 50 million poor women, children, elderly, and the disabled. In fact, a third of all newborns in America and their mothers rely on Medicaid for care.

The Republican Party and the Bush administration say they are for a culture of life, but this action makes that an empty claim. Cutting Medicaid is one of the most damaging actions to a culture of life any administration could take. This budget fails to reduce by a single person the 45 million Americans who are without health insurance today. The number is growing when it should be a high priority for Congress and the administration to ensure that no American goes without adequate health care.

I don't know about the rest of our colleagues, but when I travel around my State of Massachusetts, people say: What in the world are you doing in the Senate in terms of health care, coverage, and cost, and the cost of prescription drugs? When are you going to deal with it? You are taking care of the large corporate interests with your class action bill, and you have taken care of the credit card companies with the bankruptcy bill. Now you are considering a budget that is cutting back on the education and cutting back on the lifeline to many of the neediest people in our society and cutting back on Medicaid. It cuts back on children, it cuts back on the disabled, and it cuts back on the disabled who have been wounded, actually, in Iraq. They will depend upon the Medicaid Program because of their disability, and this program is being cut back. Still we see these reductions.

This budget freezes the fund for health research at the National Institutes of Health. We are in the period of a life science century with what we have seen in terms of mapping of the human genome, the sequencing of the gene, all of the possibilities that are out there at the present time, unlimited possibilities. If we saw the potential cure for Alzheimer's, we would empty two-thirds of the nursing home beds in my State of Massachusetts. We are at the brink of that. What does this budget do? It cuts back on those kinds of possibilities. It makes no sense whatsoever.

It cuts back on our commitment for disease prevention, for controlling the flu, the epidemics, minority health care, for children's hospitals. We are training the pediatricians—this budget

cuts back in that support. It cuts back in rural hospitals, the training for nursing, and the bioterrorism preparedness.

We worked in the area of bioterror preparedness to get our homeland security—to be able to detect it. We need to get support for the public health services and contain it. That is where you need the hospitals and the teams to be able to do it. You have to build up that infrastructure in order to be able to retain it, and you have to be able to treat the people affected by it. What we have seen in this legislation is the reduction in terms of those extremely important elements in our battle to deal with bioterrorism.

I thank the budget chair and the ranking members for including a provision in this reserve fund for using information technology that may be very helpful to us in terms of getting a handle on the issue of health care and health care costs, and also for the work that was done with regard to the pension system which we are dealing with at the present time.

I believe this budget fails the basic test of fairness and equity for the American people. It certainly does with regard to the education programs in this country.

I want to add a word of strong support for the Bingaman amendment which we will be considering very shortly, particularly the aspects of the Bingaman amendment that relate to school dropouts.

Dropout prevention is such an incredibly important program. We have areas in the country where we have as high as 30 or 40 percent in dropouts. That program has effectively been eliminated. The champion for that dropout prevention program is the Senator from New Mexico. I admire his perseverance and his commitment. Where we have dropout prevention programs, it makes a great deal of difference in keeping children in school rather than having them drop out into a life that lacks meaning and purpose. He has made this effort not only in the dropout program but also in the Gear-Up and in the TRIO Program.

Let me mention very quickly what the Gear-Up Program really says.

About 82 or 83 percent of our children in Boston are participating in the Gear-Up Program, which takes a whole class of children of the cities, and ties them, in effect, to our schools and our universities and our colleges of higher learning. We bring the colleges and the students together by the classes to provide help and assistance to the class itself, so the class has a sense that it is moving along and moving along together. It has had an extremely important and significant result. It has had a very important impact and result on the children that are part of the whole class that is moving up, to think that there are other children or young people and students who are in colleges that will work with them, spend time, volunteer, work with them on whatever their particular needs are.

And it has had a dramatic impact on children in college who have benefited, who have a sense of what it means to get back to these students.

Nonetheless, we see those programs—the Gear-Up Program and the TRIO Program—heavily undermined. The Bingaman amendment provides extremely important help and assistance.

Finally, on the education. We passed last week, under the excellent direction of our friend and colleague Senator ENZI, the career and technical program Perkins legislation, which had such extraordinary support in providing skills to individuals. The graduates in my State, even though we have one of the highest unemployment rates of any of the industrial States, are in excess of 90 percent. It has been that way for a very significant period of time. Better than 90 percent are passing the general academic tests. These young people are getting good academic training and are acquiring skills which are necessary in the new economy.

What are we saying to them? After we have a vote in the Senate of 99 to 0—not a single vote in opposition—we are effectively undermining that program in a dramatic way. The Bingaman amendment addressed that.

Before this budget debate is completed, I intend to offer an amendment that puts this Nation on the road and on the pathway of eliminating child poverty in this Nation. Let me show where we are with child poverty. The United States has the highest child poverty rate in the industrial world at the present time. It has grown over the last 3 years to an absolutely unacceptable rate. Over the last 3 years, the number of children now in poverty has grown by 1.3 million. This is completely unacceptable for this Nation.

This chart shows one in five American children now live in poverty. It is particularly endemic in terms of the national average now at 18 percent; 30 percent Latino, 34 percent for African Americans.

The children are much more likely to live in poverty than adults or the elderly. Adults 18 to 61, 11 percent; seniors 65 and older, 10 percent; children 18 years and under is 18 percent. This is a matter of national urgency. It is a matter of national disgrace.

I intend to offer an amendment for a 1-percent surtax on the taxes being paid by millionaires to be designated to battle the problems of child poverty in this Nation, with the goal of cutting it in half in the next 10 years. We will have an opportunity to do that.

I thank Members on our side, the Senator from North Dakota and our colleagues, for raising many of the issues on health and education in the course of the discussion and debate. Hopefully, some of these amendments will be favorably considered. If a budget is to reflect a nation's priorities, this budget needs a great deal of strengthening. I look forward to the debate and, hopefully, to the acceptance of some of these amendments.

The PRESIDING OFFICER (Mr. SUNUNU). The Senator from New Hampshire.

Mr. GREGG. Mr. President, I will briefly respond to a couple of points raised by two of the prior speakers, the Senator from Oregon and the Senator from Massachusetts, relative to the Medicaid issue. It is critical to understand this issue in the context of Medicaid spending generally and more importantly in the context of the type of reform being proposed here by the President and through the President's lead counsel and promoter on this, Governor Leavitt, the former Governor of Utah, now head of HHS.

One would think from listening to the other side, especially the Senator from Oregon and the Senator from Massachusetts, that we were creating a scorched-earth policy against all poor children in America by initiating some sort of Medicaid reform. The hyperbole is rather excessive and does not comport with the numbers or with the actual proposal.

This chart reflects the rate of growth of Medicaid over the next few years on an annualized basis. Today we spend \$191 billion in Medicaid. Under the proposal being put forward, we will spend \$256 billion on Medicaid in the year 2007. That compares with the projected rate of growth of Medicaid of \$260 billion for Medicaid. In other words, over a 5-year period, the actual reduction in rate of growth will be almost negligible by the terms of what the Federal Government looks at relative to numbers. It is obviously a big number, but it is still not, compared to the overall number, a large number. In fact, it is about 1 percent in the reduction of the rate of growth. To cite the numbers again, over the next 5 years we will spend \$1.12 trillion on Medicaid.

The President has suggested we try to find \$14 billion, that we restrain that rate of growth by \$14 billion, which means a 1-percent reduction in the rate of growth, which is hardly dramatic and certainly not scorched earth, to say the least.

Members can only accept that type of hyperbole if you are not willing to accept the facts of what has actually occurred. That rate of growth will therefore be a 39-percent rate of growth over this period of time compared with what would have been a 40-percent rate of growth had we not made this reduction in the rate of growth. Hardly dramatic in terms of the overall context of either the program or the Federal budget, but anyone would think it was devastating.

To make this type of an adjustment, are we going to have to impact programs for children? No. Are we going to have to impact programs for senior citizens who want to go in nursing homes and who are poor? No, we do not have to impact either of those. There are at least seven or eight elements of the Medicaid Program that, working with the Governors, we could change which would significantly improve the

delivery of service and, at the same time, reduce the rate of growth of Medicaid to come up with these numbers.

Right at the top—everyone is familiar with it—is intergovernmental transfer taxes. Basically, what has happened for the last 12 years is that States have used Medicaid money through an intergovernmental transfer tax where they essentially spend money on the nursing home, they send Federal money to the nursing home, tax the nursing home, take the money from the nursing home, leave the nursing homes with a small percentage of what they were actually paid under the Federal program, take the balance off—sometimes 90 percent of it—put it into the general funds operation of the State and then run back to the nursing home another small percentage so that in the end the State government uses 80 or 90 percent of these funds for general operation accounts, for running the State government, but not for helping people who are on the Medicaid system. That is a game that has been played.

Every Governor knew 5 years ago this process was going to come to an end. And, in fact, there was a glidepath set up under the Clinton administration because the Clinton administration had about the same frustrations with this approach as the Bush administration did, a glidepath for basically weaning the States from this process of using Medicaid money for general operations accounts.

That glidepath was supposed to end about 2 years ago, maybe 3 years ago now. It did not. It has continued to bump along this process of taking money from Medicaid to fund general operations. This administration is suggesting we put an end to it. It may not be the approach the administration takes, but if it were to take that approach, that would be \$5.5 billion potentially of the \$14 billion number.

One of the other approaches which might be considered would be to limit the Medicaid pharmaceutical reimbursement to the average sales price plus some percent, say 6 percent. That is a reasonable approach, basically saying you cannot pay more for pharmaceuticals than the average price being paid out there plus some percentage. That would save \$5.2 billion. So you already have over \$10.2 billion worth of savings if you took those two. And you don't have to take those two because there are about six more.

You can close the loophole that permits managed care organizations to avoid Medicaid rules. That is about a \$1.2 billion number. That is not going to hurt anybody out there other than the folks who have been gaming the system, again, the insurers in this case, through managed care systems.

You could permit States to require additional copays. That is also a reasonable approach, quite honestly, because there are a lot of folks out there who could afford additional copays. It would be up to the States to set that

policy. That would save significant amounts, probably \$2, \$3 billion.

You could give States greater flexibility to allow them to use SCHIP to apply their benefit structure around. This issue of flexibility could actually, in this case, end up expanding coverage to many more kids while still probably saving the States money, depending on how the States manage this. That could be a significant savings.

There are literally, as I mentioned, 7, 8, maybe 10 different proposals out there which would get you the \$14 billion without having any impact at all—any impact at all—on the number of kids covered by Medicaid or the number of people going into nursing homes, other than maybe expanding the numbers, because you have given Governors more flexibility with the dollars they will presently have. And most Governors will use it more efficiently and create more money.

One other issue I think Governors would like to address and could address is this whole situation of gaming the system. A lot of people are spending down. You can go on a Web site, especially in Florida, and you can see where they will tell you how to get rid of your assets so you can become a ward of the Federal Government and your assets are passed on to somebody else who happens to be a friend or family member, which is hardly fair to the rest of the taxpayers in this country who are then going to have to take care of you because you have decided to game the system with a spend-down proposal.

So the programmatic activity is clearly available. And how is this going to be approached? Well, essentially, we have suggested this \$14 billion number. To put it in context, here is a chart that shows the \$1.1 trillion that is going to be spent over the next 5 years. Here is the \$14 billion. You can't see it on the chart because it is a very small line, but that number would be what we would ask the Finance Committee to reduce in the rate of growth of spending in the Federal Medicaid account. So they drop from 40 percent to 39 percent over the next 5 years.

To reach that number, how are they going to do it? I don't know how they are going to do it. But in meeting with Governors and in meeting with Governor Leavitt, it became very clear that there is, I believe, a willingness to develop a consensus as to how to approach this issue, and there is a genuine desire to do it. There is a genuine desire to accomplish this.

I suspect that before the Finance Committee marks up—and we actually put some flexibility on timing here relative to reconciliation so the Finance Committee will have time to work with the Governors—there will be a consensus position amongst many of the Governors, hopefully bipartisan—I suspect it might be bipartisan—as to how to set up this programmatic activity necessary to restrain the rate of growth in Medicaid and still deliver

more services to more kids and more elderly who are moving into nursing homes. This will mean that although this bill states a number, it does not set the policy, but the policy will instead be set working in conjunction with the Governors, with Governor Leavitt leading the effort, and then working with the Finance Committee.

But why is the number so important? Why is it so important to have a reconciliation instruction rather than virtually saying to the Finance Committee, go ahead, you take care of this, you can do it on your own? Well, it is so important because without a number to drive the process, without a reconciliation instruction driving the process, nothing is going to happen. That is the nature of the beast. That is what happens. If we do not have some forcing mechanism, some catalyst to get everybody in a room together to say, well, we better do something because we have to act, nothing is going to happen.

Equally important, obviously, anything such as Medicaid reform is going to be very hard to get 60 votes on because there are a lot of folks around here who tend to be scared of their own shadow and don't want to vote on something that is going to put them in a position where they would actually have to make a reduction in the rate of growth of spending of anything, especially Medicaid. So it is critical to get to where we need to go. It will first be the catalyst which energizes the Governors coming together—they already are coming together, but it actually energizes an agreement, I believe. And it will give the Finance Committee the necessary guidance.

Why is this so important? Well, I return to the chart that is the essence of the argument around this debate of this budget, which is, what are we going to do about the outyear crises which we are facing as a nation? What are we going to do about the fact that our generation, when it retires, is going to have placed such a huge demand on our children that they simply are not going to be able to afford the decent lifestyle we have?

This chart puts it in stark terms. The Senator from North Dakota has a lot of charts that appear to be stark, but this is a truly stark chart because it makes it very clear that these three elements of the Federal Government—Medicaid, Medicare, and Social Security, the three retirement elements—will be unaffordable and will make the Federal Government inoperable within about 20 years from now unless we start to address it.

I wish Medicare were on the table. It is not. And maybe next year we can do that. But we are transitioning into a new Medicare system with the Part D drug program and people did not want to take on that issue right at this time. And I hope Social Security will be discussed at some point by the Senate and we will act on that. But that cannot be done by the budget because the budget does not have that authority.

That leaves us one more option, one place where we can actually make a conscientious effort to try to get something going in the area of addressing the outyear costs of this Nation, and that is Medicaid. That is why every time somebody comes to this floor and talks about how this Medicaid number is inappropriate and is going to have a dastardly effect on some poor and suffering population, I am going to rise and point out that is a lot of baloney, that the simple fact is the numbers point out just the opposite.

This is a very small restraint in the rate of growth of one of the three most critical programs we have in the area of entitlements. All the restraint which is proposed in this reconciliation instruction can be accomplished by addressing the provider groups and addressing better management of the system and addressing the fact that States have been gaming the system.

## AMENDMENT NO. 142

Mr. President, I have a unanimous consent request. I send a technical amendment to the desk. This has been agreed to on both sides. I ask that the amendment be agreed to by unanimous consent.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment (No. 142) was agreed to, as follows:

## AMENDMENT NO. 142

(Purpose: To make technical corrections in the printing of S. Con. Res. 18)

On page 8, line 14, strike the amount \$491,526,000,000 and insert \$491,562,000,000. On page 30, line 17, strike the amount \$70,154,000 and insert \$70,154,000,000.

Mr. GREGG. I yield the floor.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, I believe I have some time left. Do I? I ask if I would be able to have 3 minutes. I don't think I used all my time. Perhaps I yielded it back.

The PRESIDING OFFICER. The Senator was originally allotted 30 minutes and had 7 minutes remaining.

Mr. KENNEDY. Mr. President, I ask to reclaim 3 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KENNEDY. Mr. President, I would ask my friend and colleague from North Dakota—we heard about how plush the Medicaid Program is and that there are no alternatives left. It is my understanding in this particular proposal there is a \$70 billion tax cut. Am I correct, there is approximately \$70 billion that will be included in this budget?

So there are questions of priorities, that there will be \$70 billion in tax cuts at a time when we are listening to those talking about the pressures that are on the States in terms of Medicaid. I am wondering whether the Senator would agree with me that we have seen a loss of health insurance for 5 million American workers, a growth in poverty among children—nearly three quarters of a million more children fell into

poverty between 2002 and 2003, and 4 million more Americans fell into poverty in the last four years, and the States are hard pressed. Would the Senator not agree with me that all of us are strongly against the kind of asset protection frauds that take place? That isn't what we are talking about here. My understanding of this is that there are going to be some real cuts for people and real benefits for people. I was interested in what the Senator from North Dakota felt about these priorities.

Mr. CONRAD. Mr. President, the Senator is correct on both counts. No. 1, there is \$70 billion of tax cuts that are in this budget before us; that is, net tax cuts. Ironic, given the fact that we are running record budget deficits. Secondly, with respect to Medicaid, the two drivers that are very adversely affecting Medicaid are, No. 1, we have had millions of additional people come into the system, so the number of people who are dependent on Medicaid is growing dramatically. Of course, as the Senator well knows, medical inflation is running much higher than the underlying rate of inflation. That has put enormous pressure on the Medicaid program.

It is also fair to say it is undeniable that there are people who are engaged in spend-down schemes to reduce their assets so they qualify for Medicaid. That is also putting pressure on the overall circumstance we face. We have had, between 2000 and 2003, 8.4 million new enrollments in Medicaid. That is because, as the Senator so well knows, of the economic downturn. The recession meant millions of additional people were pushed onto the Medicaid rolls. That has put enormous pressure on spending.

We also have the hard reality, as I mentioned this morning, of the United States not being able to pay its bills. We face an incredible challenge going forward with respect to Medicare. In fact, the shortfall in Medicare is many times the shortfall in Social Security. I indicated this morning, the shortfall in Medicare is eight times the shortfall in Social Security.

I wanted to talk a little bit about the Social Security problem because we are going to be addressing that a lot. One of the things that gets too little attention is the underlying assumption about Social Security. The forecast for economic growth that is the basis for the concern about Social Security is a very low rate of economic growth over the next 75 years. They are projecting a rate of economic growth of about 1.8 to 1.9 percent. Economic growth over the previous 75 years was 3.4 percent.

One of the major components of economic growth is productivity growth. This chart shows the Social Security actuaries are assuming productivity growth at this red line. They are assuming productivity growth of 1.6 percent for the next 75 years. Yet in recent years, we have been getting much higher rates of productivity growth

than their estimates. You can see in 2000 to 2004, the productivity growth has been in the range of 3.6 percent.

It is important for people to know that the underlying assumptions about a problem in Social Security assume quite pessimistic views of economic growth, and of course productivity growth is one of the central components of economic growth going forward. The actuaries are assuming over the next 75 years productivity growth of 1.6 percent, when in the most recent 4 years we have had productivity growth of more than double that amount.

Here is the problem we face with Social Security, and we face this problem with Medicare and, to an extent, we face it with Medicaid as well. This is the number of Social Security beneficiaries who are going to retire. Currently we are at about 40 million beneficiaries. As this chart shows, that number is going to grow dramatically to over 81 million by 2050. It is this demographic bulge that is putting enormous pressure on the Social Security Program, Medicare Program, the Medicaid Program, and what makes the overall budget circumstance utterly unsustainable.

Curiously enough, the President acknowledges we have a shortfall in Social Security of \$3.7 trillion. But in his budget, the first thing he does is take another \$2.5 trillion out of Social Security over the next 10 years. I want to be clear about this. The President says we have a shortfall in Social Security. He is right. The estimates are widely put at \$3.7 trillion over the next 75 years. Again, that is based on a very pessimistic forecast of economic growth, much lower economic growth for the next 75 years than we have had over the previous 75 years.

The President's first move is to take all the money that is available to take out of Social Security over the next decade, \$2.5 trillion worth, something he had promised not to do. So he is making the problem much worse.

In fact, when the President submitted his budget in 2002, he said:

None of the Social Security surplus will be used to fund other spending initiatives or tax relief.

Now let's look at what he is doing. He is doing precisely the opposite. He is taking every penny of Social Security money that is available and using it to pay for other things. Over the next 10 years, from 2006 to 2015, here are the Social Security surpluses during that period. I use the word "surpluses" advisedly because it is really not surplus. It is a temporary surplus. There is more money coming in from the Social Security trust fund than is going out in each of these years for the next 10 years, \$184 billion in 2006 income over and above outgo. That builds up by 2015 to a \$300 billion surplus in Social Security. That is, we are getting more revenue than we are spending in benefits.

Under the President's budget and under the budget that has been submitted by our colleagues, every penny of this money is being used to pay for other things, every penny of it, instead of being used to prepay the liability or pay down the debt to better position us to meet the promise of Social Security. Instead, under the President's plan, he is taking all of it, \$2.5 trillion, and using it to pay for other things.

When the President says there is a shortfall in Social Security of \$3.7 trillion, again that is based on an assumption. The assumption is the economy is going to grow at about 1.8 or 1.9 percent every year for the next 75 years.

In the previous 75 years, the economy has grown at 3.4 percent. So this is a very pessimistic forecast. But using that forecast, the shortfall of Social Security over 75 years is \$3.7 trillion. Over the same period, the cost of the President's tax cuts is much more—\$11.6 trillion. So I hope that helps to put this in some perspective for those who are listening.

The President's answer is to, first of all, cut the benefits dramatically. He proposes moving from an indexing of the benefits from a so-called wage indexing to price indexing. The benefit reductions that flow from that decision are the following: Those retiring in 2022 would see a 10-percent reduction; in 2042, a 26-percent reduction; in 2075, almost a 50-percent reduction. So that is what happens to those folks.

Then there is another part of the President's proposal that deserves attention, and it has gotten virtually none. That is the offset provision. The way the offset provision works is quite unusual. Under the President's plan, if you set aside money for your private account—let's say you set aside, over 40 years, \$1,000 a year. That account balance assumes a real rate of return of 3.7 percent. Real rate of return is rate of return plus inflation. The rate of return is 6.5 percent. The loan is compounded at a 5.8-percent nominal rate. To put it in plain English, say you put aside \$1,000 a year and you get a 6.5-percent rate of return during that period. At the end of the period, you would have \$92,000 in your account in today's dollars. But that is not yours free and clear under the President's plan, because they assume the Social Security trust fund loaned you that money. They want to get paid back and they want to get paid back with interest. So when you hear the President say that is your account, you got your name on it, nobody can take it away from you, that is true as far as it goes. But it leaves out a very important fact. The very important fact it leaves out is that you owe the money—underlying money, the thousand dollars a year plus interest—you owe it back. But you don't pay it back out of your individual account. You pay it back out of your other Social Security benefits. Under this scenario, where you have put aside \$1,000 a year and you have gotten a 6.5-percent rate of return, you would owe

back \$1,000 plus the real rate of return of 3 percent, or roughly 5.8 percent, including inflation. So you would owe back \$78,000—not out of your individual account, but out of your already reduced Social Security benefits.

I have never heard the President describe it this way, but I have gone over his plan in great detail with his people and that is how it works.

Let me give you another possibility, because you know this is assuming—the first chart here—a 6.5-percent rate of return. What if you don't get that good a rate? What if you get a lower rate than 6.5 percent on your investment? Under the President's plan, workers earning 5 percent must repay 120 percent of the value of their individual accounts. I know that sounds unbelievable, but that is the way it works, because they are making an assumption that the money that went into your individual account was loaned to you by the Social Security trust fund; they expect to be paid back and they expect to be paid back with interest. Whether you made money on your account or not, they are expecting you to be paying back the money that was theoretically loaned to you, plus interest. So in this case, let's assume you put \$1,000 a year aside in your account, and that your account only got a 5-percent rate of return. At the end of the period, you would have \$64,000 in your account, but you would owe back \$78,000 because they are expecting that thousand dollars a year back, plus interest. They are expecting a real rate of return—3 percent plus inflation—roughly 5.8-percent rate of return on what you have to pay back.

Now, I want to go through this again because I don't think a lot of people understand that is how these private accounts work. I hope it is clear to people from looking at this, you could wind up owing back more than you have in your account. OK. Let's go over it one more time so that people have a chance to see how this works.

Under the President's plan, you are able to put aside \$1,000 a year into your account. You are able to earn a return on that. In this example, over a 30-year period, if you set aside \$1,000 a year and you have a 6.5-percent rate of return, you would have \$92,000 in your account in today's dollars. But, remember, you have to pay back what was theoretically loaned to you from the Social Security trust fund. You have to pay back the \$1,000 a year, plus interest. The interest that they are expecting to get back is 5.8 percent. So you owe back, under this example, \$78,000 in today's dollars. Again, you don't pay it out of your individual account or your personal account; you owe it back out of your traditional Social Security benefits.

I am going to conclude on this example. I see the leader is here. I want to make sure we go to him next. He has a lot of other things to do.

In this example, let's say you only earned 5 percent a year for 30 years.

Actually, this example is over 40 years. If you only earned 5 percent a year, you would have \$64,000 in your account, but you would owe back \$78,000—again, not out of your personal account, but out of your already reduced Social Security benefits. So I think it is very important for people to understand how this works.

The final point I will make is, at the very time the trust funds of Social Security and Medicare go cash negative, the cost of the President's tax cuts explodes. Remember, he is making these tax cuts permanent. The cost increases dramatically over time. What this chart shows is the green bars, which are the Social Security trust fund, running, as we described, surpluses now. The blue bar is the Medicare trust fund. When those go cash negative out here, at that time, the cost of the President's tax cuts explodes, driving us right over a cliff into huge deficit and debt.

This is a plan that does not add up. It does not make sense and it fundamentally threatens the economic security of the country.

I thank my colleagues and yield the floor.

THE PRESIDING OFFICER. The majority leader is recognized.

MR. FRIST. Mr. President, today, we begin a critical and important debate on the Federal budget. We will be on that debate over the course of the week. I know it will be a good debate and a spirited debate, as it has been over the course of the day. The budget blueprint we adopt in the Senate will guide all of our spending and tax legislation for the remainder of the first session of the 109th Congress. It is absolutely critical that we pass this resolution before we leave at the end of the week and that we stay on track to have a conference agreement with the House of Representatives following the Easter recess period.

I do want to begin by congratulating the chairman of the Senate Budget Committee, Senator GREGG, and his committee members for bringing forth before the entire Senate today this resolution. This is Senator GREGG's first budget resolution as chairman, and having been a member of the Budget Committee and working with Senators CONRAD, NICKLES, and DOMENICI in the past, I know what a difficult challenge, indeed a struggle, it can be to put together the budget. It is a hard task. It is a thankless task in many ways. But in record time the chairman has succeeded in reporting a budget to this body.

I also thank the ranking member, Senator CONRAD, and the Democratic members of the committee. While I know Senator CONRAD and his colleagues do not support the resolution as it is today, I thank him and members for cooperating and allowing this process to proceed so we can begin this important task and begin the debate, as I mentioned earlier, that will be

spirited and will be important and substantive over the course of the day and the next several days.

We, as elected representatives of our respective States, do have a responsibility to our constituents, to the Members of our delegations and, indeed, to the country to govern. Governing requires budgeting, and budgeting is governing. Households and families across the country know when they sit down and do their own budgets that many times their wants go much further and much larger than what revenues and resources they might have. What will play out here over the course of this week, I believe, in our Federal budget is really no different than what individual families and households must do—many times seeing that our wants go much further than our resources.

The first President Bush captured this in his inaugural address when he noted:

Our country's will is often greater than our wallet.

So, yes, budgeting requires tough decisions, difficult decisions, and many times unpopular decisions. Budgeting not only requires allocating those limited resources in ways that address the real threats we face today, but also the challenges we inevitably will face tomorrow. It requires allocating those resources on programs that are needed today and away from those unneeded, those unnecessary programs from the past. It is a matter of prioritizing.

Budgeting requires allocating the taxpayers' dollars in the most effective and the most efficient ways possible, while recognizing that not everything in the Federal Government today, in terms of the funding the Federal Government does today, has to be funded tomorrow. Budgeting does require making choices, it requires making tradeoffs, and it requires making sacrifices.

The budget resolution that Chairman GREGG's committee has brought before the Senate does set priorities and does make those difficult tradeoffs. The budget resolution before us today for some does not do enough, and for others it does too much. For some, it reduces the rate of Government spending too much, and for others it simply does not reduce it enough. For some, it reduces taxes too much; for others, it does not reduce taxes enough.

There are several things this budget does accomplish.

The budget, first and foremost, cuts the deficit in half within the next 5 years. The Federal deficit is projected to decline from nearly \$400 billion this year to nearly \$200 billion 5 years from now, from 3.2 percent of our economy to 1.3 percent over this 5-year period.

The budget resolution we debate does allocate resources to winning the war on terrorism, providing the necessary support for our military men and women overseas. It is an honest budget in that it accounts for the \$82 billion war on terror supplemental for this year that we will be debating just after

the next recess, and it sets aside \$50 billion for next year to continue, if needed, funding for the war.

The budget resolution does make the difficult and hard decision to limit the growth of spending in other areas of the budget, and for that area of the budget annually appropriated for non-defense programs, this budget is tough, essentially freezing that area of the budget next year and beyond. By setting priorities and not funding unneeded and inefficient programs as identified in the administration's program assessment and rating tool, called PART, education, HIV/AIDS, highways, health research, and other high-priority programs could receive increased funding even within the overall restraint imposed.

This budget resolution for the first time in almost a decade also tackles that area of the budget known as entitlements. Entitlements will consume nearly \$7.7 trillion over the next 5 years. Some will argue that by restraining entitlement spending \$34 billion over the next 5 years, it does not do enough in this area of the budget that will, and I repeat, consume \$7.7 trillion over this same period of time. What is in this budget amounts to about a 0.4-percent reduction. Others will say it does too much. It is a balance. It is a beginning in an area that has been too long neglected.

Finally, this budget resolution does make room for the extension of expiring tax provisions. It is projected that the Federal Government will collect over \$12.5 trillion in taxes over the next 5 years. Extending tax provisions that promote a growing economy, reducing taxes by \$70 billion—and that is about 0.5 percent of the total collected over the next 5 years—is a small investment for maintaining and continuing our growing economy.

Let me be clear about one other thing. For those who might be watching the debate this week, this is a congressional budget. Yes, it reflects the principles outlined by President Bush in his executive budget submitted to Congress a little over a month ago, but what we will be debating this week is the congressional budget resolution, not the executive budget. It is ours, it is this body's to mold and adjust as we reflect on our responsibilities to govern and to make those what we know will be difficult tradeoffs.

It is also the beginning of the congressional budget process. It is not the end. We will not be appropriating moneys in this resolution for specific programs, but we will be saying how much of our resources should be devoted to annually appropriated programs.

We will not be dictating specific policies to reduce entitlement spending, such as Medicaid, farm programs, or student loans, but we will be saying that it is time for Congress to lessen the overall growth of these programs that threaten our fiscal future.

We will not be writing the tax bill this week in this resolution, but we

will be saying to the tax-writing committees: You have the authority to extend expiring tax provisions or make other changes in tax laws to continue to support economic growth in the future.

The budget resolution is a broad outline of what this Congress thinks should be the level of spending, the level of revenues, and the level of deficits or surpluses over the next 5 years. It is not substantive law, but once adopted it will guide substantive law for the remainder of this session. Once adopted, it will become the blueprint upon which our fiscal house is built throughout the spring and summer.

In closing, over the 30 years that the Congressional Budget and Impoundment Control Act has been in existence, Congress has failed only three times to agree to a budget resolution. Only once in that 30-year history did the Senate not even consider a budget resolution. Unfortunately, two of those three times that we failed to adopt a budget resolution have been in the last 4 years—in 2001 and then again last year. Once it happened under Democratic control, and once it happened under Republican control. Yes, we patched together in those years ways to have some fiscal guidelines on the appropriations process, but other critically important, other vital elements of the congressional budget process were simply lost. They were unavailable.

This budget resolution will restore those needed enforcement provisions. Agreeing to a budget is becoming a more challenging event every year. But I ask, are the issues that we confront at home and around the world today so much more challenging than they were when President Carter faced a daunting energy crisis at home? Or when President Reagan confronted the Soviet Union and won the Cold War? Or when President Bush faced a brutal dictator invading the neighbor Kuwait? Or when President Clinton observed in late 1998 that we then had a historic opportunity to save Social Security for the 21st century?

In all those years, we confronted major challenges, but we still worked within the framework of a budget. It is our responsibility to govern. It is our responsibility to produce a budget. It is our responsibility to move America forward. I do not expect that this year will be any easier than in the recent past, but I am confident that for the sake of this institution and the congressional budget process, we will do the most basic of our responsibilities this year—produce a budget.

I yield the floor.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. CONRAD. Mr. President, I will take a couple of brief minutes to respond to the leader and indicate that the problem I see is the words continue to be good, but the words are almost totally divorced from the reality of this budget. The longer I am here, the

more stunned I am at what a gap there is between rhetoric and reality.

The rhetoric is all about fiscal responsibility and restraint, but that is not what this budget does. That has almost no connection to this budget.

What am I talking about? I am talking about going back and looking at what this budget is doing and adding back the costs it has omitted. The majority leader talked about the \$80 billion of the supplemental it has for the war. Yes, it does. Unlike the President, he has no money for the war past September 30. At least this budget has \$50 billion in a reserve fund for the war, but nothing beyond that.

The Congressional Budget Office says that is not the cost of the war. The cost of the war is over \$380 billion, not \$130 billion. There is a \$250 billion difference. Well, if we put that back in and we put back in the alternative minimum tax that costs \$700 billion to fix, there is not a dime in this budget to do it. We all know it is going to have to be done. Three million people were affected last year. Ten years from now it is going to be 40 million people. Does anybody believe we are not going to do anything?

Last year, the President at least said, here is the money for 1 year. Now he has nothing. This budget from our colleagues has nothing. The \$700 billion is left out. I said to the President's people when they showed me this budget, why did you not leave out some more things and claim you balanced the budget?

They said they are going to cut the deficit in half. They are going to cut the deficit in half by imagining. They are going to cut the deficit in half by leaving things out. When we put back the Social Security money that they are taking, \$2.5 trillion that they do not count, here is what one sees: Operating deficits every year approaching \$600 billion.

Somebody out there may be saying, well, that is Senator CONRAD. He is from the other side. He is the loyal opposition. He is giving his view of it.

No, it is not just my view of it, this is their own budget document. Looking at their own budget document, this is what it shows. This is their projection of what the debt will increase by every year of this budget. This is a copy of their budget document, page 5. Here is what it shows. This is their estimate of how much the debt is going to increase every year if their budget is adopted.

Remember what the words were that we just heard. He said the deficit is going to get cut in half over the next 5 years. Is that not what he said? Did he not say he is going to cut the deficit in half over the next 5 years?

Well, here is what their budget document says is going to happen. They say the debt is going to increase in 2006 by \$636 billion. This year, they say it is going to increase by \$669 billion, then \$636 billion, then \$624 billion, then \$622 billion, \$611 billion. Does one see it getting cut in half? Where is it getting cut in half?

They are talking about a deficit projection that leaves out things. When the things are put back that are left out, the amount that is getting added to the debt every year is not getting cut in half. It is hardly being cut at all. This is their budget document.

In this town, words seem to matter more than reality. If the deficit is going down, how can it be the debt is going up so fast? Could it be something is being left out?

Here is what has happened to the debt: \$3.3 trillion in 2001, headed for \$9.4 trillion in 2015. This debt is going up like a scalded cat. And that is the publicly held debt. Here is the gross debt: \$5.8 trillion in 2001. We are headed for \$15.8 trillion in 2015, all at the worst possible time, right before the baby boomers retire.

They can put any characterization they want on this budget. They can use any words they want. They can talk about fiscal restraint and getting serious about the deficit. The numbers do not lie. The numbers in their own budget show the debt going up \$600 billion a year every year of this budget. Those are their numbers. So when they say they are cutting the deficit in half and they are being fiscally responsible, it is all words, but it is totally detached from the reality of this document, and it is totally detached from the reality of this budget because their own numbers show—and I will go back to it. This is their document out of their budget. They say the debt is going to go up \$669 billion, and then the next year it is going to go up \$636 billion, and then the next year it is going to go up \$624 billion, and then the next year \$622 billion, and the next year \$611 billion. Where is the deficit getting cut in half?

These are not my numbers. These are their numbers in their budget document. None of this adds up. Running massive budget deficits, running massive trade deficits, \$600 billion a year of trade deficits, we are borrowing money all over the world.

Foreign borrowing by this President has gone up 92 percent. We had a trillion dollars of foreign holdings of our debt in the first 200 years of this country. Under this President, in 4 years it has gone up almost 100 percent. As a result, we owe Japan over \$700 billion. We owe China almost \$200 billion. We even owe South Korea \$69 billion. So what? What difference does it make? The difference it makes we have seen twice in the last 2 months. We saw South Korea announce they were going to diversify out of dollar-denominated securities. The stock market went down 170 points in a day. The dollar went down sharply. Then, just a week ago, the head of Japan said they are going to diversify out of dollar-denominated securities. The dollar took another big hit. The dollar is down 33 percent against the Euro in the last 2.5 years. Is anybody watching? Is anybody paying attention? Does anybody care? Does anybody understand the con-

sequences of the risks that are being run here, of massive deficits, of massive debt, of massive borrowing from countries all around the world that makes us more and more vulnerable to decisions they make in their central banks, and the warning signs?

First South Korea says: Boy, I don't know about holding all these dollars. These dollars keep going down in value. Why should we hold onto them? Maybe we should get into some other currency.

The head of Japan says: Boy, this is risky business. I don't know if we should keep doing this.

Warren Buffett, one of the most successful investors in the world, says he is betting against the dollar in 2005. Last year, he made a \$300 million bet against the U.S. currency, and he made a lot of money on that bet. This is risky business.

I indicated the last few weeks I talked with somebody who, last year, had been at the annual meeting of one of the most wealthy families in America. They told him they are getting ready to diversify out of dollar-denominated securities because of these massive deficits that are being run and the risks of a run on the dollar. This budget just continues that risky strategy.

I see the Senator from New Mexico is here. I yield 20 minutes off the resolution to the Senator from New Mexico.

#### AMENDMENT NO. 143

The PRESIDING OFFICER (Ms. MURKOWSKI). The Senator from New Mexico.

Mr. BINGAMAN. Madam President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from New Mexico [Mr. BINGAMAN] for himself, Mr. KENNEDY, Mrs. CLINTON, Mr. DODD, Mr. AKAKA, Mr. SARBANES, Mr. LAUTENBERG, Mr. LIEBERMAN, Mrs. MURRAY, Mr. LEVIN, Mr. HARKIN, and Mr. OBAMA, proposes an amendment numbered 143.

Mr. BINGAMAN. I ask unanimous consent the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To restore funding for education programs that are cut and reduce debt by closing corporate tax loopholes)

On page 3, line 10, increase the amount by \$400,000,000.

On page 3, line 11, increase the amount by \$6,420,000,000.

On page 3, line 12, increase the amount by \$2,052,000,000.

On page 3, line 13, increase the amount by \$628,000,000.

On page 3, line 19, increase the amount by \$400,000,000.

On page 3, line 20, increase the amount by \$6,420,000,000.

On page 3, line 21, increase the amount by \$2,052,000,000.

On page 4, line 1, increase the amount by \$628,000,000.

On page 4, line 7, increase the amount by \$4,750,000,000.

On page 4, line 16, increase the amount by \$200,000,000.

On page 4, line 17, increase the amount by \$3,210,000,000.

On page 4, line 18, increase the amount by \$1,026,000,000.

On page 4, line 19, increase the amount by \$314,000,000.

On page 4, line 24, increase the amount by \$200,000,000.

On page 4, line 25, increase the amount by \$3,210,000,000.

On page 5, line 1, increase the amount by \$1,026,000,000.

On page 5, line 2, increase the amount by \$314,000,000.

On page 5, line 7, decrease the amount by \$200,000,000.

On page 5, line 8, decrease the amount by \$3,410,000,000.

On page 5, line 9, decrease the amount by \$4,436,000,000.

On page 5, line 10, decrease the amount by \$4,750,000,000.

On page 5, line 11, decrease the amount by \$4,750,000,000.

On page 5, line 15, decrease the amount by \$200,000,000.

On page 5, line 16, decrease the amount by \$3,410,000,000.

On page 5, line 17, decrease the amount by \$4,436,000,000.

On page 5, line 18, decrease the amount by \$4,750,000,000.

On page 5, line 19, decrease the amount by \$4,750,000,000.

On page 17, line 16, increase the amount by \$4,750,000,000.

On page 17, line 17, increase the amount by \$200,000,000.

On page 17, line 21, increase the amount by \$3,210,000,000.

On page 17, line 25, increase the amount by \$1,026,000,000.

On page 18, line 4, increase the amount by \$314,000,000.

On page 30, line 16, decrease the amount by \$400,000,000.

On page 30, line 17, decrease the amount by \$9,500,000,000.

On page 48, line 6, increase the amount by \$4,750,000,000.

On page 48, line 7, increase the amount by \$200,000,000.

Mr. BINGAMAN. Madam President, the amendment I have sent to the desk relates to the level of funding in this budget for education. It proposes to restore the funding level to the level we are currently operating under here in 2005, so that in 2006 we would have as much Federal funding going out for education as we had in 2005. We would not have any more. We would not have enough to account for additional inflation. We would not have enough to account for additional students, children coming into the school system. But we would have the same amount if my amendment is adopted.

The budget resolution before us embraces and adopts the worst education budget the country has seen for well over 10 years. Writing budgets is about setting priorities. Anyone who reads this budget must conclude that education is not a priority for this Congress or for anyone who supports this budget. Simply put, the budget proposal before us does not provide sufficient funding to sustain current funding levels in many education programs. In title I, in IDEA, it provides no significant increases in funding. There is

really no funding provided for the new initiatives which had been talked about by the administration. The resolution adopts the President's budget and, by implication, it endorses the cuts the President has called for.

The budget would eliminate 48 educational programs and would drastically cut funding for several other programs. My amendment, as I said before, would merely restore the \$4.8 billion in funding for these programs. It also provides for deficit reduction as part of the same amendment.

In December of 2001, there were 87 of us here in the Senate who voted in support of No Child Left Behind. I was one of those. We recognized there was an unacceptable achievement gap in this country between low-income students and more affluent students, or students of more affluent families. So, with broad bipartisan support, we decided to hold schools accountable for the academic achievement of all students, but we did so with the recognition that the Federal Government was obligated to support these reforms and to implement them wisely. On a bipartisan basis we calculated what it would cost for States and schools to implement the law, and we authorized the programs accordingly.

The administration assured many of us that it would support these commitments of funding. Three years later, however, we find the programs authorized under No Child Left Behind underfunded by about \$12 billion this year alone. Since enactment, we have actually seen a cumulative shortfall of almost \$27 billion. That is reflected on this chart, starting in fiscal year 2002 and 2003, 2004, 2005. The first year, the shortfall was \$4.22 billion; the next year, \$5.38 billion; the next year, \$7.55 billion. These are not added together on this chart. These are the shortfalls for each year. But the cumulative shortfall in No Child Left Behind programs, when you include this budget that has come before us now, would approximate \$39 billion.

I do not believe there is a Member in the Senate who has not heard about the challenges their States and their school districts face in attempting to implement the No Child Left Behind legislation. Yet the resolution fails to provide adequate funding to help the States and to help our school districts implement the law. It provides minimal increases for title I grants to States which serve the country's most impoverished schools; minimal increases for IDEA. To make matters worse, because there are no increases in overall funding, these inadequate increases are paid for by proposals to eliminate and slash other critical education programs.

Since the passage of No Child Left Behind, we found that the number of schools failing to meet adequate yearly progress—and that is the key phrase in the legislation: AYP, adequate yearly progress—the number of schools failing to meet adequate yearly progress for 2

or more years has nearly doubled. It is nearly 11,000 schools nationwide. These schools are facing sanctions under No Child Left Behind.

What we mean by sanctions is that they will be required to expend an amount equal to as much as 20 percent of their title I grant to provide school choice and supplemental services; that is, transportation to other schools and supplemental services. These schools require resources. They will require technical assistance and expertise and effective strategies if they are actually going to improve. Many of these schools will not find the resources they need to turn themselves around.

Further, No Child Left Behind requires that all core academic teachers be "highly qualified" by the end of the 2005–2006 school year. That is this next school year. Our schools are gearing up to try to meet that requirement. Yet, astonishingly, this budget fails to provide any increases in title 2 for teacher and principal training and recruitment. In fact, it eliminates or slashes a number of teacher preparation programs. At a time when educators around the country are fighting to meet the challenges of No Child Left Behind, rather than providing them with the necessary resources, this budget actually cuts the ground out from under them. The committee may actually undermine their best efforts to improve student achievement and teacher quality and to meet our goal of closing the achievement gap.

Moreover, I am afraid the budget resolution can be seen as something of a shell game. The resolution set a nearly identical level of discretionary spending as is in the President's budget. There is just one exception: the President's budget sets a very clear policy decision and identifies where the severe cuts are to occur. This resolution adopts the President's budget, but it obfuscates policy decisions by failing to provide budget assumptions.

The level of funding in the budget resolution is nearly identical to the President's. It is insufficient to meet the needs of current spending and meet the need of the President's priorities, and it fails to say where the cuts will actually occur.

The resolution endorses the President's budget but hides the truth about from where those cuts will come. Since it endorses the President's budget, the only thing we can assume is that it endorses the President's priorities as well as his cuts.

These are the programs the budget eliminates. Let me show chart 2, which is a list of educational programs the President has recommended we eliminate. There are 48. I know it is impossible to read from any distance, but I will have a chance in the rest of my remarks to point out that many of these programs are meritorious and deserve our continued support.

The shell game nature of what is going on here is most evident in the context of high school reform. The

President proposes a \$1.5 billion high school reform initiative. Who could not support that? It sounds like a great idea, but, unfortunately, it is paid for by eliminating a number of critical high school programs, including Perkins Vocational Education.

Just last week, here in the Senate we voted 99 to 0 in favor of reauthorizing the Perkins Vocational Education Act. Through the leadership of the chair and ranking member of the HELP Committee, we crafted a strong career and technical educational program in a bipartisan manner, and we did so despite the President's call to eliminate the Perkins program entirely. Clearly, 99 of our colleagues recognized that career and technical education is an important part of strengthening our high schools. This budget, however, does not provide sufficient funds for both the Perkins program, which we all endorsed last week, and the high school reform initiative that the President indicated he supports. Ninety-nine members voted in support of Perkins, but obviously that support is not real if we do not support it with funding. The budget resolution does not do that.

The chair of the Budget Committee cosponsored the Perkins legislation, spoke on the floor in support of the program, but the budget resolution would eliminate the program. In the budget that was sent to the Congress, the President proposed a new \$1.5 billion high school reform initiative. Most of us agree that we need to do more at the high school level.

Forty percent of our high school graduates are not ready for the demands of college or the competitive workforce. Clearly, I support what the President has recommended by way of increases to advance placement and math and science partnerships and reading programs. But the President would pay for these increases by eliminating or slashing other high school programs—the vocational education program that I just mentioned, the Smaller Learning Communities Program, the TRIO Program, the GEAR UP Program. Obviously, the President is entitled to believe that those programs I just listed do not work, although the evidence, in my view, proves otherwise. I believe most Members of the Senate believe otherwise. We need to be clear to the American public, though, that this resolution does not provide support for these critical programs.

I believe we all want to strengthen our high schools, and there are effective ways to do so. It is noted on the Department of Education's Web site, which anyone can log on to.

When the size of the learning community and the learning environment is reduced, and closer student-teacher relationships are provided, the benefits for student learning become apparent very quickly. Students learn better in smaller learning communities. They experience a greater sense of belonging to their school. They have fewer dis-

cipline problems. Crime and violence, gang, and alcohol and tobacco abuse decline. This budget, however, eliminates the \$95 million that we have in current funding for smaller learning communities.

The TRIO and the GEAR UP programs have helped millions of underrepresented student populations prepare for and succeed in college.

To understand the breadth and success of these programs, it is worth noting that TRIO serves more than 55,000 students in Texas, 25,000 students in Pennsylvania, 6,000 students in Maine, and 9,000 students in Montana. Nevertheless, the budget would eliminate the program.

GEAR UP, which currently serves more than 1 million students nationwide, has been extremely effective in preparing low-income students for postsecondary education, as well as improving the academic achievement of the students who participate in this program in high school. I know how effective the program has been in my State of New Mexico. ENLACE, a GEAR UP program in our State, has been very successful in helping Hispanic students to develop leadership skills, prepare for college, and advocate for their own education. This budget would eliminate funding for more than 4,000 students who participate in the program in Virginia and 7,000 students in Rhode Island.

With regard to graduation rates, this country is facing a crisis. The best estimate we have is that only 68 percent of our Nation's high school students actually graduate with a high school diploma in the time allotted for high school completion. The number is significantly worse if the student happens to be African American or Hispanic or Native American.

I am pleased to hear the administration talking about increasing graduation rates. The low graduation rate of our students is a national disgrace. We recognized this problem in the No Child Left Behind Act, and we required States and schools to increase graduation rates as part of adequate yearly progress, or AYP. But we also recognized the challenges of mandating higher graduation rates without adequate resources, and we authorized \$125 million for States and school districts to develop innovative dropout prevention programs. The President has proposed to eliminate that program.

With all due respect, we cannot talk about increasing graduation rates and at the same time propose to eliminate efforts that would help decrease dropouts.

This program received less than \$5 million last year. The administration calls for its elimination because it is too small and too ineffective.

The argument is circular. If we funded the program anywhere near the level that it is authorized, then it would not be too small, and it would not be ineffective.

Members talk about stemming the tide of dropouts, but eliminating drop-

out prevention programs is not the way to do that.

We have real challenges. Too many of our students are leaving high school unprepared to meet the demands of college and a competitive workforce.

This budget eliminates critical and effective programs, such as comprehensive school reform, education technology, Safe and Drug-Free Schools, parent information centers, gifted and talented programs, school counseling, Ready to Teach, Arts in Education, Even Start, National Writing Project, foreign language assistance, and school leadership.

The administration claims that programs such as mental health integration and school counseling are not a priority or they are funded elsewhere. Unfortunately, when you look at where they are funded elsewhere, the funds there are also being cut.

The administration claims that many programs are too small, or funds for programs such as Safe and Drug-Free Schools are spread too thin to be effective. I think the evidence is clearly to the contrary. Students in Oregon learn about the dangers of steroids because of that Safe and Drug-Free Schools program. Safe and Drug-Free Schools helps families in Iowa, helps prevent alcohol and drug abuse in Minnesota, helps strengthen families in Iowa, provides critical funding to prevent youth violence in Richmond, VA, and on and on. There are many examples. My own State loses \$3 million under the proposed budget of the administration and that this budget resolution contains.

Taking a step backward, in my view, the budget eliminates education technology grants. We need to build on efforts to integrate technology into learning, not cut back on those efforts. Particularly, this is important for rural schools. We need to increase access to courses, equip teachers with advances in technology, and provide students with the means to compete in the global economy.

There is substantial money involved in education technology funding. Schools in Pennsylvania receive \$17 million; schools in Texas, \$42 million; Florida, \$23 million; Colorado, \$4 million; Georgia, \$15 million; Virginia, \$8 million; my home State of New Mexico, \$4 million.

By eliminating these critical programs, we will be causing real harm to real students and schools. Using the Department of Education data, here is a sample of who participates in these programs. Some of the programs I have listed have a substantial number of students involved. Comprehensive school reform: 2,473 schools benefit from that, approximately, and 1.18 million children benefit from that program. Smaller learning communities: 591 schools and 591,000 students were to be served in 2004. It is clear there are actual effects on students from the cuts we are proposing.

The budget also slashes funding for other critical programs such as adult

basic education and literacy, Grants for Innovative Programs, and Advanced Credentialing.

My colleagues tout increases in title I spending since the President took office. There have been increases of Title I spending. A significant amount of that increase has been added by the Congress and not requested by the administration. There have been increases and the administration asked for some of those increases. But we are still substantially below what we authorized.

The level of funding is still cumulatively, if this budget is approved, \$39 billion less than what we authorized for No Child Left Behind Programs, and \$30.8 billion less than authorized for title I. The level is \$3.6 billion less than the amount we authorized for this, this year in IDEA when that was reauthorized a few months ago.

It is also important to note that the increases were significant in only the first couple of years of No Child Left Behind. Last year, we saw an increase of less than \$400 million in title I spending. This year's proposed increase is only about \$600 million. In fact, the small increases are offset by changes in the poverty data and resulted in more than half of the Nation's school districts receiving fewer title I funds for the 2004/2005 school year. Ten States had their title I funds cut from the previous year's level. For this school year, Connecticut, Iowa, Kansas, Massachusetts, New Mexico, New York, Ohio, Oklahoma, and Oregon all see cuts from last year's title I allocation.

This chart shows a sample of the school districts in my State and the amounts they can expect. They have already been advised by the Department of Education that these lower amounts will be provided through title I funding for them from the current school year. The budget resolution would further complicate and add to those cuts that have already been made.

In my view, there is no higher priority for the future well-being of the country than the education of our children. I offer this amendment to bring the level of funding for education back to where it is in the current year. That is not too much to ask if we do believe that education is a priority.

I urge my colleagues to support education in this budget and to adopt my amendment.

I yield the floor.

The PRESIDING OFFICER. The Senator from New Hampshire.

Mr. GREGG. Madam President, I ask unanimous consent at 5:30 today the Senate proceed to a vote in relationship to the Bingaman amendment, with no amendments in order to the amendment prior to the vote.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GREGG. Madam President, the game plan now is to recognize the Senator from Tennessee and then the Senator from Maryland.

Mr. CONRAD. At this point, if we could get an order for Senator ALEXANDER and Senator SARBANES.

Mr. GREGG. I also ask, after the vote is completed at 5:30 on the Bingaman amendment, if we could recognize Senator BENNETT at that time.

Mr. CONRAD. For what period of time?

Mr. GREGG. For half an hour.

Mr. CONRAD. All right.

Mr. GREGG. We yield to Senator ALEXANDER such time as he may use off our side of the bill and then we go over to Senator SARBANES.

The PRESIDING OFFICER. The Senator from Tennessee.

Mr. ALEXANDER. Madam President, the Senator from New Mexico and I have a number of common interests in energy and science technology, and one of our common interests is making certain as we move into a more competitive world marketplace that we maintain our brain power in the United States of America because over the last period of time since World War II, about half of our good new jobs have come from there. I look forward to continuing the work within this budget, to set priorities that do that.

In this first year of a little bit of fiscal discipline, which is about all we are exercising this year, we may not do as much of that as we may be able to in the future, but I for one want to make sure that over the next 5 to 10 years while we are dealing with unsustainable growth in what we call mandatory spending—Medicaid and Medicare, spending that is on automatic pilot—as we try to deal with that growth, we do not squeeze out the investments in science and technology and higher education and advanced computing that we need to maintain our standard of living.

This budget is, in my view, a good budget. It does begin to exercise some fiscal discipline, but it is a modest exercise of fiscal discipline.

The bottom line is if we were to adopt the budget as presented, we spend \$2.6 trillion—a number none of us can imagine. One way to get it into reality is to say it is \$100 billion more than we spent this year. So, \$100 billion, how much is that? It is enough to run the State of Tennessee for 8 years, and the State of Tennessee is not the biggest State; it is the sixteenth largest State. It collects about \$12.5 billion a year of State taxes. We are spending a lot more money next year. We are not cutting the amount of money the Federal Government is spending of taxpayers' money; we are increasing it by \$100 billion next year within this budget.

The Senator from North Dakota, who is as compelling and persuasive a speaker as we have on the Senate floor and has a wonderful way of presenting his charts, was making the point repeatedly. I heard him today saying that the debt is going up. He is right. The debt is going up. We are arguing about proposing to reduce the size of

the annual deficit and to cut that amount in half, which means that every year we do not take down to zero the annual deficit, the debt goes up. I suppose his chart includes Social Security funding, too, so the debt goes up.

But this is a modest effort at fiscal discipline that means if this budget were adopted, we believe the deficits each year would be cut in half.

Now, these spending constraints are never easy, and they involve setting priorities. The President is right. I believe the budget we have proposed is right, to start, by trying to be as committed to the military men and women of this country as they are to this country. So it raises overall defense spending by 4.8 percent so we can provide our military with the equipment they need to safely and successfully finish their jobs of spreading democracy in the world.

The President's tax initiatives are continued. But within this budget there are significant investments other than for military and homeland security, which are our first priority.

Let me see if I can talk a moment about education since that was the subject of the statement by the Senator from New Mexico. Some of the figures that were used I did not quite understand because I have done my own calculating. For example, there is this constant reference to shortfalls in funding of No Child Left Behind. Now, I was not here when that happened. I do not know what the deals were that were made, what arrangements were made, and with whom. But the Senator from New Mexico said there was a \$39 billion shortfall. I cannot imagine where that figure comes from because this year we only spent \$37.8 billion on all of K-12 education.

The U.S. Government only contributes about 7 percent of the funding for our local schools in 15,000 school districts across the country. That is all it has ever contributed. It is not likely to contribute a much larger percentage. So there cannot be a \$39 billion shortfall in No Child Left Behind since we only spent less than that total amount of money from the Federal Government.

In addition to that, let's look at what happened over the last five Bush budgets. There has been a 46-percent actual increase in Federal spending on No Child Left Behind. By comparison—I don't know what period of time that is for the Clinton years, so I won't say. But let's talk about President Bush. There has been a 46-percent increase over 5 years.

I checked in the State of Tennessee, where I am from, and the amount of increase in State spending for kindergarten through the 12th grade, through this period of time, would be more like 15 or 16 or 17 percent. Federal spending for kindergarten through the 12th grade during the Bush years, the last 5 years, has increased at the rate of about three times of what State spending has been. So if there is a tin cup, it

is not in Washington, it is at the State capital.

I think it is very important that even in this time of fiscal restraint, when we cannot increase spending this year as much as some of us might like, that over the 5 years it has increased 46 percent.

This budget does include enough money for another \$1 billion for No Child Left Behind, another \$500 million for special education.

This is not an isolated commitment. Let's take another example of what has happened over the last 5 years. There has been a 34-percent increase in total U.S. Department of Education discretionary funding.

Title I was mentioned. Title I is the Federal education program that is directed, with a lot of flexibility, toward poor children. Now, it may not be reaching the poorest children. It goes directly to schools. And my guess is that the reason why the Senator from New Mexico was able to point out that some States were getting less and some States were getting more is that maybe No Child Left Behind is directing more of the Federal dollars where they are supposed to go; which is, to help our poorest children who are not learning reading and math.

In any event, there has been a 52-percent increase in title I spending over the last 5 years, at a time when State spending has been increasing at less than 20 percent, which is 35 or 40 percent of the Federal spending increase.

It is the same story with special education. There has been a 75-percent increase in Federal spending on special education over the last 5 years. Improving teacher quality: a 38-percent increase over the last 5 years under President Bush and this Congress.

Let's remember, the President does not appropriate a penny. We are short-changing ourselves when we stand here and say No Child Left Behind was not properly funded. We do all the appropriating. They do not do any of it down at the White House. They send a budget up here, and we don't have to pay any attention to it at all. We do what we want to do.

What we have done over the last 5 years—I was only here for 2—is increase Federal spending for education at a Federal rate of two or three times as fast as it has increased in the States.

Let me give an example of improving teacher quality. There is an account in Washington in No Child Left Behind that gives about \$50 million a year to the State of Tennessee for improving teacher quality. If all that money were spent on teachers, it would give each teacher in Tennessee about a \$900 pay increase. It is a lot of money. Now, half that money came from closing another account. So let's say there is only \$25 million new No Child Left Behind dollars for the teachers of Tennessee. That would be \$400 or \$500 per teacher. That is a substantial investment by the Federal Government, on an annual basis,

to help those teachers improve their quality and become highly qualified teachers.

Now, if the State of Tennessee chooses to spend that on some other purpose, whether it is education or something else, that is the business of the State of Tennessee. But the money was appropriated here in Washington for that purpose.

And finally, all of us are interested in continuing higher education for the largest number of Americans. Sixty percent of our college students have a Federal grant or loan that follows them to the college or university of their choice. It is perhaps the most successful set of grant and loan programs anywhere in the world. It has created an opportunity for more Americans, a higher percentage of them, to go to college than anywhere in the world. We have the best system of colleges and universities anywhere in the world, primarily because we respect the autonomy of those colleges, and we appropriate a lot of Federal money, and we let students choose the college or institution of their choice to attend.

What has this Congress done over the last 5 years, including this budget that is proposed? There has been a 56-percent increase in actual Federal dollars for Pell grants. So when we talk about education, let's not sell ourselves short. We have been putting a very high priority, urged on by President Bush, on education over the last 4 years, and in this budget as well.

Let me mention three other areas about this budget. One has to do with opening the Arctic National Wildlife Refuge for oil exploration. Over the next few weeks, gasoline prices across this country are going to go up by about a quarter. Gas prices are already pretty high. We are bringing in oil from other places in the world, 70 percent of our nation's need. That does not make a lot of sense when we have a lot here on our own. We could bring in a million barrels of oil a day from Alaska if we would only vote to do it. That is about as much oil as Texas produces. We could begin to reduce our dependence on the rest of the world and lower our gasoline prices. We ought to do that.

In 1985 and 1986 I was chairman of President Reagan's Commission on Americans Outdoors. We recommended that we begin taking some of the money we use for drilling oil and gas on Federal lands and putting it into conservation purposes. Specifically, we said, let's create a billion-dollar fund for the Land and Water Conservation Fund.

I am pleased to say that under Chairman GREGG's leadership, this budget includes a provision that begins to follow that recommendation of the President's Commission on Americans Outdoors. It says if this Congress decides to allow exploration of oil in Alaska in the ANWR area that for 4 years \$350 million will come from those revenues into a conservation reserve fund, and

that then will be used for the Land and Water Conservation Fund, for wildlife preservation, for coastal protection, and for other purposes.

Our Commission thought, in 1985 and 1986, it made sense when we place any environmental burden that we balance it with an environmental benefit. We believe this is a sensible way to do it, and I hope other Members of the Senate will notice this important provision.

There is also in this budget something I want to talk about in a moment that has to do with unfunded mandates. But the last part of the budget I want to mention has to do with Medicaid.

There is a serious attempt in the budget proposed by our Budget Committee to begin to deal with what we call mandatory spending, the spending that is on automatic pilot. It is basically Social Security, which the President is urging us to deal with, Medicaid, and Medicare. The health care programs are about to consume all the money we have. If they are left on automatic pilot, as they are, we won't have any money for first-class universities, for preschool education, for implementing No Child Left Behind, for national parks, for local policemen, for local firemen.

The testimony we heard in the Budget Committee showed that unfunded Federal liabilities over the next 75 years will begin to take 25 percent of the gross domestic product of the United States. The whole Federal budget today takes less than 20 percent of the gross domestic product.

We can't sustain that. So this budget suggests that we restrain the growth of Medicaid spending by \$14 billion over the next 5 years. We will be spending \$1.12 trillion on Medicaid from the Federal Government over the next 5 years, and we are suggesting a \$14 billion restraint in growth. No one should get a very big merit badge for that much fiscal discipline, but at least a little merit badge for trying.

That won't work unless we are willing to change some Federal laws because Medicaid is administered partly by the Federal Government and partly by the State government. But the trouble is, from a Governor's perspective, that the Federal Government sets the entitlement criteria. There are a dozen or so programs that States must offer in their Medicaid programs. The Federal Government decides—the bureaucracy—whether Governors get a lot of flexibility or none, and then the Federal courts increasingly have been saying that Governors can't take steps even to change or amend or reduce optional services as a way of restraining the growth of Medicaid so there will be money, for example, for pre-kindergarten.

Let me suggest the principles on which I believe this body could help the Federal Government and the State governments at the same time slow the growth of Medicaid a little bit. We are

only suggesting that we slow the growth from a projected 41-percent growth in funding over the next 5 years to 39 percent. It is not much, but it is enough to cause some discomfort unless we make some changes. The principles we should follow then are: One, any reforms that we require ought to save money for both the States and the Federal Government. Two, the reforms must be voluntary. The Governors who manage these programs have to have flexibility. Three, we should not be cutting people off Medicaid who won't have any other health options.

There are some ways to do that which I will talk more about at another time. But, for example, we could change the law to make it easier for Medicaid to avoid overpaying for prescription drugs. We could change the law to permit States to crack down on Medicaid spend down abuses when wealthier individuals give away their money with the expectation that Medicaid will cover their health care costs. We could change the law to allow Governors to require copayments for benefits from those optional Medicaid programs which Governors choose to offer that the Federal Government doesn't require. We could change the law to give States more flexibility to allow mothers and children to enroll in what we call the SCHIP Program. And finally, we could make it easier for States to provide home- and community-based care for beneficiaries who prefer it to more costly nursing home care.

It is never pleasant to restrain spending, but it is absolutely necessary. Fifteen years ago, I spent my time as Governor trying to restrain health care spending so I could create centers of excellence at the universities, so I could maintain low tuitions, so we could pay teachers more. We were successful. But when I left the Governor's office in 1987, we were spending 51 cents out of every State dollar on education. Today it is 40 cents. Why? Because then we were spending 15 cents on health care. Today it is 31 cents on health care and headed up. If we don't begin to try to control mandatory spending in Medicaid and then Medicare, we will not allow the States or ourselves to invest in those programs that have to do with job creation that help us maintain our standard of living.

There is one other area I would like to mention. It has to do with a provision in this budget which increases to 60 votes the number of votes it would take to impose on State and local government what is called a Federal unfunded mandate. Tomorrow, March 15, is the 10th birthday of the Federal Unfunded Mandates Reform Act, affectionately known around Washington as UMRA.

Now, the Federal Unfunded Mandates Reform Act was supposed to stop the one thing that made me mad as Governor, and that was some Congressman coming up with some big idea, passing

a law, holding a press conference, bragging about it, and then sending the bill back to Tennessee for me and the legislature to pay. And then the next weekend that same Congressman would usually be back in Knoxville or Memphis making a big speech about local control. The Unfunded Mandates Act was supposed to discourage the Federal Government from imposing new laws and new rules on State and local governments without paying for them.

I am sorry to say that it was a noble idea that was hard to pass 10 years ago. It got a big vote in the end. But it hasn't worked very well. It is raising property taxes to pay for new EPA storm water runoff rules. School boards are taking money out of one classroom and putting it in another to meet Federal requirements for children with disabilities. The National Council of State Legislatures has identified \$29 billion in Federal cost shifts to States in transportation, health care, education, environment, homeland security, election laws, and in other areas. And last year, in the name of lowering Internet access taxes, some in this Congress tried to take away from State and local officials local control over how to pay for governmental services.

Not long ago, the U.S. House of Representatives passed legislation that will soon be before us that would turn 190 million State driver's licenses into national ID cards with States paying most of the bill. And last week, Governors asked the President, when they met with him at the White House: Mr. President, how can we reduce the growth of Medicaid spending in the States when Federal laws dictate eligibility standards, Federal bureaucrats limit State flexibility, and Federal courts just say no? These are just the unfunded Federal mandates I was describing.

Just as ominous a threat to a balanced partnership among Federal, State, and local governments is Congress's failure to act on important areas of policy which also are running up the cost to State and local governments. For example, Congress's failure to deal with 10 million illegal immigrants fills up hospital emergency rooms, schools, and jails. Our failure to reform Medicaid has allowed a 40-percent increase in caseloads over the last 5 years to soak up State and local revenues that might have been spent for schools, colleges, police, parks, and roads. And then the Federal courts have piled on, using outdated consent decrees to run Medicaid in Tennessee, foster care in Utah, transportation in Los Angeles, and the teaching of English to children in New York City.

During the last 10 years about the only part of the Federal Government that has recognized the importance of strong State and local governments in our Federal system is the U.S. Supreme Court, which has rediscovered the 10th amendment to the Constitution that reserves to States powers that are not expressly granted to the central government.

So here is the picture of Federalism today. In Washington, DC, Democrats still stuck in the New Deal are reflexively searching for national solutions to local problems. We Republicans, having found ourselves in charge, have decided it is more blessed to impose our views rather than to liberate America from Washington's views. And across America, Federal judges have discovered the joys of acting like Governors and mayors without having to run for office.

Meanwhile, in the States and cities, Federal funds make up as much as half of State and local budgets, bringing with them more and more rules that direct and limit what mayors and Governors are able to do with revenues raised from State and local taxes.

As a result, the job of mayor and Governor is becoming more and more like the job of university president, which I used to be; it looks like you are in charge, but you are not.

That is why to celebrate the 10th birthday of the Unfunded Mandate Reform Act, I propose 3 steps to give mayors and Governors, legislators and local councils, more authority to do what they were elected to do.

The first of those steps is in this budget resolution. It would amend the Unfunded Mandate Reform Act to increase to 60 the number of Senate votes it takes to enact legislation that imposes unfunded Federal mandates. This proposal was approved last Thursday by the Senate Budget Committee. For the last 10 years, the number has been 50, and it hasn't been used once as a budget point of order. It was said that this point of order with 50 votes would become like a penalty flag. Well, it has become a penalty flag that hasn't been thrown for 10 years. Make it 60 votes and it may do some good.

Second, I would propose making it easier for Governors and mayors to change or vacate outdated Federal court consent decrees. This legislation introduced last week by Senator PRYOR of Arkansas, Senator NELSON, Senator KYL, Senator CORNYN, and myself would do that. It would put term limits on consent decrees and shift to plaintiffs the burden of proving that decrees need to be continued, and require courts to draw decrees narrowly, with the objective of putting responsibility back in the hands of the elected officials as soon as possible.

Finally, the third proposal is do not allow any new Federal statute to preempt a local law, unless the new Federal law specifically states there is a direct conflict with State and local law.

I am still optimistic about our Federal system. I am optimistic because I believe excessive centralization of Government runs against the grain of what it means to be an American. Americans do expect Washington to take care of war, welfare, Social Security, health care, and debt. Americans do not want Washington running schools, colleges, law enforcement, fire departments, cities, parks, and most roads.

Lest anyone think I am wrong, I invite them to step out with me on the campaign trail. I remember our last referendum on federalism in the mid-1990s. Newt Gingrich and 300 Republicans stood on the Capitol steps and said: no more unfunded Federal mandates. Bob Dole, the new Republican leader in the Senate in 1995, made the Unfunded Mandate Reform Act S. 1, and then Senator Dole campaigned across the country reading the 10th amendment to his audiences.

I was doing my part. I was running for President, too—not so successfully. I was walking across Iowa and New Hampshire wearing a red-and-black shirt, proposing to abolish the U.S. Department of Education as we knew it, move the Agriculture Department from Washington, DC, to Des Moines, and to cut the pay of Congress in half and send them home for 6 months each year to spend more time with their neighbors instead of Washington lobbyists. You can imagine how popular I was in these chambers while proposing to cut their pay and send them home. I can clearly remember in a Washington Post editorial meeting, when the late publisher Kay Graham asked me:

Governor Alexander, if you so dislike Washington, DC, why would you come here?

That was a good question, and there is a good answer. One of the most important reasons to come to Washington to serve is to remind those already here that a plane ticket to Washington doesn't make you any smarter.

The parents and teachers of 50 million students in 15,000 districts usually can do more to improve a child's education than some national school board. If Washington says you must spend more for Medicaid, that usually means less for preschool education, and someone who is elected and is closer to the problem ought to make that decision.

In some countries, that arrangement might work. In those countries that are smaller and ethnically more the same, it may be possible to have a national school board, state church, and a central government calling most of the shots. We know that doesn't stand a prayer of working in the United States. De Tocqueville, in his early writings about America, pointed out that our country works community by community. We are so big, we have so many different views, we come from so many backgrounds, we need a lot of places to work things out in different ways. Put too many one-size-fits-all jackets on Americans and the place explodes.

In our country, such explosions, thankfully, still occur at election time. That is why most candidates for President run against Washington, DC. That is why U.S. Senators from Washington are rarely elected President and Governors from outside Washington often are. That is one reason why Americans elected the Republican Congress in 1994.

I am optimistic about federalism because Democrats are now looking for a

way to get into office, and we Republicans are looking for a way to stay in office. I believe that whoever wins that argument will have to get on the right side of the federalism issue. So as a good Republican I am using this birthday celebration tomorrow of the Unfunded Federal Mandate Act to remind my Republican colleagues that we promised the people no more unfunded mandates. We said, "If we break our promise, throw us out." I am sure if we forget our promise, our Democrat friends will remind us of it.

Most of our policy debates in Congress involve conflicting principles. The principle of federalism should not always be the trump card. There are other important principles to weigh: liberty, equal opportunity, *laissez faire*, and many others.

But the federalism that the Republican Congress was elected to protect in 1994 has gotten lost in the weeds. It is time for us to find it and pick it up and to put it back up front where it belongs. Step No. 1 would be to pass this budget, which would increase to 60 the number of votes it takes to enact an unfunded mandate. Then we should move to put term limits on Federal court consent decrees, which has strong bipartisan support in the House, as well as the Senate, and then require Congress to announce when it decides to preempt State and local law.

If we in Congress do that, then maybe on the 20th birthday of the Unfunded Federal Mandate Act, 10 years from now, we can celebrate an American Federal system that has the kind of respect for mayors and Governors, legislators and local council members that the Founders of this great Republic envisioned.

I yield the floor.

The PRESIDING OFFICER. The Senator from Maryland is recognized.

Mr. SARBANES. Madam President, let me begin with the rather obvious observation that the budget resolution is the single most important document we deal with in the Congress. The budget contains thousands of decisions that are critical to our national life, and those decisions reflect our priorities as a nation—both those of the President who submits a budget and those of the Congress that passes a budget.

Are we more concerned about tax cuts for the wealthy or strengthening Social Security? Are we more concerned with tax cuts for the wealthy or funding important safety, housing, community development, education, and health needs? Are we more concerned with giving tax cuts than holding down the deficit?

All of those are decisions that are involved in making the budget. In its composite, the budget is a very important macroeconomic document, because it sets the fiscal path for dealing with the overall economy. Will the budget fund the programs that create jobs and strengthen our economy? Will the budget create longrun structural

deficits? What will be the impact of those longrun structural deficits on our economic performance? Will the budget move us toward full employment or away from it?

Now, it is asserted that we have to have these very substantial cuts in a number of important domestic programs because we have this large deficit and we have to address the large deficit. On the road to progress, we need to make investments in health, education, and protecting the environment. But we are told, no, no, we have this big deficit and therefore we cannot do these things.

Where did that big deficit come from? That is the question that needs to be asked, because once you go behind where the big deficit came from, you get a picture of what the priorities are and what the thinking is of those who have established this budget framework.

When President Bush came into office in 2001, he inherited a projected \$5.6 trillion surplus over the next 10-year period—a \$5.6 trillion surplus. In his first budget proposal, which included an excessive tax cut primarily for those at the top of the income and wealth scale, he said:

We can proceed with tax relief without fear of budget deficits.

The following year, with the budget already in deficit, the President advocated for another tax cut while promising that "Our budget will run a deficit that will be small and short term." In fact, the President's budget that year stated that deficits would be so short term that by today the Government would be back in surplus. How wrong he was.

The President's Office of Management and Budget is projecting a deficit this year of \$427 billion. Instead of the \$5.6 trillion 10-year surplus projected out when the President took office, when you factor in some of the costs we know are coming, such as the continuing cost of the war in Iraq, the cost of reforming the alternative minimum tax, the cost of some of the President's proposals, including making the tax cuts permanent, and the continuing defense buildup, the projections now are for a deficit over the same period of \$3.7 trillion, instead of a \$5.6 trillion surplus.

Think of that. We have gone from projecting a \$5.6 trillion surplus in 2001, to projecting a \$3.7 trillion deficit. That is a deterioration in our fiscal position of over \$9 trillion—\$9.3 trillion, to be specific.

As a consequence, the Federal debt has skyrocketed. Back in January 2001, the Congressional Budget Office was projecting that our net debt to the public would decline to \$36 billion by 2008. Now the CBO is projecting that publicly held debt will rise to \$5.5 trillion in 2008. Of course, with increased debt comes increased interest payments. Net interest payments on our debt are expected to consume more than \$1 trillion over the next 5 years, leaving us less able to invest in other priorities.

There are a number of reasons for this fiscal reversal. Spending to recover from the attacks of September 11 and to pay for operations in Iraq and Afghanistan has played a part in creating these deficits. But the deficits are not primarily the result of increased spending by the Congress. By far, the greatest factor contributing to the return of deficits is on the revenue side.

Madam President, 74 percent of the change from the surplus in 2000 to the projected deficit in 2005 stems from revenue loss, of which the President's tax cuts were a major part. Rather than saving the budget surplus he inherited, thereby helping us to meet our long-term obligations, such as Social Security, the President chose to risk our fiscal future through excessive tax cuts targeted to those who need them the least. Make no mistake about it, this is the priority that this administration set and it continues to follow. Now we are living with the consequences of that choice—deficits and debt as far as the eye can see.

These massive and sustained deficits are not simply numbers on paper. They have real consequences in terms of the United States' future economic strength. The structural deficits that are built into this budget will be extremely harmful to the economy as we move ahead. They promise to raise interest rates, reduce economic growth, decrease the number of jobs, and increase our vulnerability to sudden economic crisis.

Addressing these deficits becomes even more critical when you consider our international position. As recently as the early 1980s, the United States was a creditor nation. Other countries owed us. Today the U.S. is the world's largest debtor nation. Our external debt in 2003 was \$2.4 trillion. Last year we ran a trade deficit in excess of \$600 billion, and once that gets included in the figures, we expect our external debt to be over \$3 trillion. This sharp deterioration is proceeding as we continue to run enormous trade and current account deficits. Our current account deficit is projected to reach a record high in 2005.

There was a story just this weekend in the newspaper, "Trade Gap Widens on Record Imports. Deficit at Record Level. Trade Gap Expands. The U.S. trade deficit widened in January to \$58 billion"—for 1 month—"the second highest monthly gap on record."

We were warned by the President of the Federal Reserve Bank of New York not long ago about this situation. Let me read what he said:

The size and concentration of external imbalances in the system are at an unprecedented scale, between 5 to 6 percent of GDP in the case of the U.S. current account deficit. The counterpart of this deficit is a large inflow of capital from the world's private savers and foreign central banks. The expected trajectory for this imbalance produces a dramatic deterioration in our net international position and cannot be sustained indefinitely.

He concluded:

What's new is that we are significantly more dependent today on the confidence of the rest of the world in U.S. economic policy for the safety and stability of our financial markets.

We are losing our financial independence and running the risk of a crisis of confidence in the dollar.

Last summer, the Financial Times in an editorial warned:

Like Tennessee Williams' ill-fated character Blanche Dubois, the United States has long been dependent on the kindness of strangers. Foreigners' hitherto insatiable appetite for dollar assets is what has enabled the U.S. to keep running on credit for so long. Like Ms. Dubois' dysfunctional relationships, this one is symbiotic but potentially hazardous.

I am very frank to say that I believe this budget is seriously out of line with the needs of America's families. The basic thrust of the President's budget proposal is that we should allow tax cuts for very wealthy people to continue, but programs that help middle-class Americans should be cut and the deficit continue to be a major problem.

Let me give a couple of examples to dramatize this contrast in priorities. In 2006, the President's tax cuts are scheduled to give \$32 billion to those making over \$1 million a year. In other words, all the people making over \$1 million a year, who are a very small percentage of our population, will get \$32 billion in tax cuts.

What might we be able to do with some of this money that is going for tax cuts for wealthy people? We could bring our first responders back up to the budget baseline with \$1.6 billion, or 5 percent of this excessive tax cut. We know the needs and challenges faced by those on the front lines of our efforts to provide greater security to communities around the country. We know they need help. Another \$1.9 billion would restore full funding for the Community Development Block Grant Program, a program very important to State and local governments, to carry forward the renewal of their communities; that would be 6 percent of the \$32 billion tax cut that will go to the millionaires. We could restore funding for the HOPE VI program at a cost of \$500 million. HOPE VI has helped eliminate the worst public housing and replaced it with home ownership and has transformed the downtown areas of many cities in the country.

I could go on with these examples. The fact is, for a portion of that excessive tax cut we could restore many of these programs, and the other portion could be used to bring down the deficit; in other words, we could have a more balanced fiscal policy, one that responds to the needs of our country and that lays the basis for our long-term strength instead of taking us deeper into the hole with these twin deficits, our internal budget deficit and our external trade and current account deficit, which has taken the United States from being a creditor nation—in other words, others owed us—to where we are

now the largest debtor nation in the world.

Those are the choices that are being made in this budget. We are being told constantly that we have a deficit; we need to address the deficit. Yet this budget provides \$70 billion more in tax cuts for wealthy people, for people who, under any analysis of the case, are not in need of a tax cut. The working people could use a tax cut, but that is not where the tax cut goes. At the same time, when we talk about the programs that are being cut for which there is such desperate need, we are told that we have to do that because we have this deficit problem.

If we have this deficit problem, why do we have to do the tax cuts that are in this budget resolution? What is the rationale for doing that? It is a matter of priorities. Very simply, those who have put this resolution together place a greater premium on further tax cuts for those who have already, in my judgment, received excessive tax cuts, than they do in holding down the deficit or funding some of these very important programs that we need for our people.

So the basic question as we move ahead is, what are our priorities as a nation? How should we invest our resources to get the best outcome in the future? I do not believe that the priorities represented in this budget reflect the right choices for America, and I urge my colleagues to vote to reject this budget resolution.

I yield the floor.

The PRESIDING OFFICER (Mr. CHAFEE). The Senator from North Dakota.

Mr. CONRAD. Mr. President, there is nobody I enjoy listening to more in this Chamber than Senator SARBANES. I think all of my colleagues know that over the weekend Senator SARBANES announced that he will not seek reelection, and that is unfortunate for this Chamber and the country.

Senator SARBANES is one of the finest Members of the Senate I have served with in my 19 years. He is brilliant, a Rhodes scholar. More than that, PAUL SARBANES is a wise person. In the time I have been here, I have turned to him repeatedly for his remarkable sense of judgment.

Paul just reminded me that he will be here another 22 months. I say to Senator SARBANES, that is not long enough. This country needs him, and if there was ever a time that it needs him it is now because nobody is perhaps more knowledgeable in this Chamber or in the entire Congress on economic issues than Senator PAUL SARBANES. He has been an important member of the Joint Economic Committee. He has been former chairman of the Banking Committee. He has been a key member of the Budget Committee.

I cannot think of anybody I would miss more than Senator PAUL SARBANES, and I say with a heavy heart that I have to acknowledge his determination to retire. He certainly deserves a full and happy retirement, but

Senator SARBANES is someone who is going to be sorely missed in this Chamber and in this Congress. I cannot think of a finer man.

Mr. SARBANES. Will the Senator yield?

Mr. CONRAD. I would be happy to yield.

Mr. SARBANES. I want to thank my very able colleague from North Dakota. He has been extremely generous in his comments. For me, it has been a great privilege to serve and work with him and to follow his leadership on the Budget Committee, which has just been extraordinary. Senator CONRAD has laid out an analysis that spells out all of these issues that we have been talking about, and if the Nation would only listen to him we would improve our fiscal position and strengthen our economic position.

I say to my colleague, my term still has 22 months, so I want to assure him I am going to be here with him every day of that 22 months to make this fight as we seek to turn back this radical agenda of the Bush administration, which I think contains great harm to our Nation and to its people. I thank the Senator for his comments.

Mr. CONRAD. Mr. President, when I read the headlines in the paper and saw across the front page the top headline in the Washington Post, "Senator SARBANES to Retire," I read that with a heavy heart because there is no one who has made a stronger contribution in this body than Senator PAUL SARBANES. We are going to be expecting him to be helping every day of these last 22 months, and I know that will be the case.

Mr. SARBANES. I thank the Senator.

Mr. CONRAD. Mr. President, we are headed for a vote at about 5:30 just so my colleagues who are listening are aware of that situation.

For a moment, I want to discuss the pending amendment of Senator BINGAMAN.

Mr. CONRAD. Mr. President, the Senator from Tennessee raised questions about figures that Senator BINGAMAN was using in terms of the shortfall in the No Child Left Behind Act, and Senator BINGAMAN apparently had referenced a shortfall of \$39 billion in No Child Left Behind in the last 6 years. The Senator from Tennessee was challenging that number and did not know how it was possible. Well, let me just share with my colleagues why it is not only possible, but it is the reality.

Senator BINGAMAN was talking about the levels of funding that have been authorized in No Child Left Behind versus what has been appropriated. If one looks at 2002, one sees that the appropriation compared to the authorization was \$4.2 billion short. If we would look at the succeeding years, what we would find is that the combined shortfall, the difference between what was authorized and what was actually appropriated, is \$38.98 billion below what was authorized.

I was not privy to the agreements that were made at the time, although I was serving in Congress, serving on the Budget Committee, but the understanding was that new obligations were put on the States and that the Federal Government was going to fund those new requirements. The determination at the time was the amount that was authorized was the amount of money necessary for the Federal Government to cover the new obligations it was requiring.

The hard reality here is that the appropriations have not kept pace with what was authorized. As I indicated, in 2002, it was \$4.2 billion; 2003, \$5.4 billion; \$7.6 billion short in 2004; \$9.8 billion short in 2005; \$12 billion short in 2006; for a total combined shortfall of \$38.98 billion.

Senator BINGAMAN was exactly right in his assertion. I just wanted to make that clear.

I commend Senator BINGAMAN for offering his important education amendment. It provides \$4.8 billion to restore funding for more than 48 education programs that are eliminated or significantly reduced in the Senate budget plan. I know the Budget Committee chairman will say that his budget resolution does not eliminate or reduce funding for these programs because his budget resolution does not contain specific programmatic assumptions and that the funding levels will be determined by the Appropriations Committee. It is true that the budget resolution does not dictate policy decisions to the Appropriations Committee. Policy assumptions, nonetheless, are embodied in the numbers in the budget resolution and allocated to the Appropriations Committee.

Since the spending levels in the Senate GOP budget plan for 2006 are the same as those in the President's budget—except for a \$100 increase in the Pell grant maximum, costing something over \$400 million—I think it is only fair to assume that the resolution is tied to the President's policies. In fact, I have been assured on numerous occasions that is the case, that the budget they are putting before us in the Senate really embodies the President's priorities. I do not think anybody would expect anything else given that the President's party controls the Senate, controls the House, and they are, in effect, presenting the President's budget. That is why the amendment of Senator BINGAMAN is important—to pay for these shortfalls in the programs that the President's budget is cutting and that the Senate budget plan adopts.

Among the programs proposed for elimination are all vocational education programs. Let me repeat that. The President's budget—and we assume by extension the budget before us by our colleagues on the Senate Budget Committee—eliminates all vocational education programs. Vocational education programs are important. Not everybody is going to go to college. Sen-

ator KENNEDY presented information moments ago that showed that 40 percent of those who are in the school-age population go to college. Only 18 percent complete college education on time. So a lot of people are dependent on vocational education programs to be competitive in this globalized world economy. If they are going to be able to compete with the best trained, best educated people in other parts of the world, they are going to need additional education. For many people it is vocational programs that offer them that opportunity.

The President says eliminate vocational education programs. Eliminate education technology State grants. I must say I think that is a mistake. I have been in the classes that benefit from the technology grant program so that young people have an opportunity to learn the latest technology. The President says eliminate that.

TRIO, Upward Bound and Talent Search—again, I have seen the TRIO Programs and the difference they have made in schools all across my State. This provides an area of interest and opportunity for kids who might not be interested in school otherwise. The President says eliminate them.

Safe and drug-free State grants—the President's budget says eliminate that. We have an epidemic in my State of methamphetamine abuse. Recently I was at a luncheon. A man was seated next to me whom I have known very well for many years, and I could tell he was very down. He seemed depressed to me.

I said to him: What's wrong?

He said: Nothing is wrong.

I knew something was wrong. I continued to press him. He finally told me that his son had just been picked up as a methamphetamine user, and they had taken him to a treatment center. The treatment center told him that morning that his son was addicted. This is something very prominent back in my home State of North Dakota. He was devastated. Here he has a son hooked on methamphetamine. It has been devastating for the family. It has been a financial disaster. It has been a disaster in every way for that family. We are going to say: We are just not going to do drug-free State grants anymore, forget that—that is what the President's budget says—because it is more important, apparently, much more important to give additional tax cuts to the wealthiest among us.

I indicated this morning that under the President's budget, tax cuts for those earning over \$1 million a year will cost \$32 billion in this next year, and \$32 billion is the cost of the tax cuts just for those earning over \$1 million year. We could restore the safe and drug-free State grants for \$437 million. That is one-eightieth of what we are doing for the very wealthiest among us. Comprehensive school reform, smaller learning communities, teacher quality enhancement grants so that teachers get additional training—he is going to eliminate them all.

So Senator BINGAMAN has come before us and has said: No, we should not be eliminating them all. That does not make sense. Instead, what we should be doing is restoring those programs, and we should pay for it. He says: Don't add to the deficit, don't just spend the money, raise the money to pay for it. If education is critical to our future, and it is, if it is critical to our ability to compete in this intensely competitive world community, and it is, then let's pay for it. Senator BINGAMAN does.

He doesn't just pay for it. He also provides a like amount of deficit reduction. How does he pay for it? He pays for it by closing certain corporate tax loopholes. And, goodness knows, we have loads of them. When I was tax commissioner, I found one company that did business and had a series of shell corporate entities, some of them operating out of the Cayman Islands. The most profitable part of their worldwide company was in the Cayman Islands with one employee. I used to say that was the most successful, the most productive employee anywhere in the world because they showed hundreds of millions of dollars of profit in that one entity because they avoided taxes everywhere else. They showed their profits in the Cayman Islands. They would have priced between shell corporations, and they would sell at what it cost from one corporation to another in places that had taxes, and then in the Cayman Islands they didn't have any taxes. All of a sudden, they showed hundreds of millions of dollars of profit. It is amazing—one person doing all the work.

We have something going on in the country today that is a stunning abuse. We have individual cities and towns that are selling their sewer systems and their transit systems. They are selling them to companies, and then depreciating those assets and taking the tax advantages from it, and then they make a big payment to the localities for the privilege. If that isn't a dodge and a scam, I don't know what is.

Let me repeat that. It is hard to believe.

We have companies that go out and buy a sewer system from a town, and then depreciate the sewer system, getting the tax advantages from the depreciation. Those sewer systems were bought with taxpayer dollars in the first place. Then the company gives the city a fee, buys the sewer system, at least gets it in their name for tax purposes, and then depreciates the value of the system to cut down their taxes. They do the same thing with transit systems and bus systems.

Congress moved, at the request of Senator Nickles and myself last year, to close down some of these abusive operations, but more remain. They didn't do them all. They didn't shut down all of them. We are talking about billions of dollars.

Why wouldn't it be a better priority to shut down those scam operations

and have vocational education in our schools? That is not what the President's budget does, and that is not what the budget before us does.

The largest reductions are in adult education assistance, which is cut by 63 percent in the budget before us. Some people may say, Adults should have gotten educated when they were kids. It is a great idea, but a lot of people didn't get educated when they were kids. They didn't get sufficiently educated. Are we to say to them when they come back, Well, too bad, they are too late. Or, are we going to say, Good for you, we are glad you have come back, and we are going to help make sure that you take every advantage of your God-given talents.

To me, that is a wise expenditure. The better educated we are, the better trained we are, the better we are going to do as a society. But that is not the priority of this budget.

Let me say I think Senator BINGAMAN has done a favor to the body by bringing this matter to our attention. I hope my colleagues will support it.

On another matter, in these discussions today we have heard repeatedly from our colleagues on the other side that if you cut taxes, you get more money. I don't know where they came up with this idea: You cut taxes and you get more money. That is not what the evidence shows. You cut taxes, you get less money. I have shown repeatedly on the floor today the charts that demonstrate the facts—not some ideological view, but the facts.

The facts are that after 2001, with the significant tax cuts that were passed and the subsequent tax cuts that were passed, signed by the President, the revenue of the United States dropped like a rock. For the first time since World War II, we got less money year after year than we had the year before. The last time we saw significant drops in revenue was during the Reagan tax cuts of the 1980s.

I don't know where our friends get this idea that when you cut taxes you get more money. It doesn't work that way. In the real world, we can test these theories. It is fine to have a theory, but let us deal with facts. The facts show conclusively that when taxes have been cut, we get less revenue than we would otherwise have received.

That doesn't mean you never have a tax cut. In 2001, I supported a \$900 billion tax cut because our economy was weak, and it needed a lift. In fact, I supported a much bigger tax cut than the President's initial proposal because he back-ended all of his tax cuts. He didn't design tax cuts to give lift to the economy at a time of weakness. He was back-ending the tax cuts—small at the beginning and large at the end. We wound up with the worst of both. We wound up with large tax cuts in the beginning where we needed them to give lift to the economy and large at the end when we can't afford them, when the baby boomers are starting to retire.

I have showed the charts repeatedly here to demonstrate that the President has us on a course that does not and cannot possibly work. What we see in the President's plan is as the trust funds of Medicare and Social Security go cash negative, which happens in the next 20 years, at that very time the cost of the President's tax cuts explodes, driving us right over a cliff into deep deficits and deep debt. And we are already running record deficits. We are already running up unacceptable levels of debt. But for every problem, the President has the same answer: Borrow the money. Got a problem with Social Security? Borrow—borrow over \$4 trillion to solve it. You got a problem with financing tax cuts? Don't worry about it, borrow the money.

The President is fond of saying, It is the people's money. He is absolutely right. It is the people's money. But guess what. It is also the people's debt. This President is running up the people's debt at a record rate. The debt this year is going to increase by over \$600 billion. And every year of this budget that is before us—this budget which they have described as fiscally responsible, according to their own numbers—every year of this budget they are going to drive up the debt of the country by another \$600 billion—\$600 billion, \$600 billion, \$600 billion. Do that five times, that is \$3 trillion in 5 years of additional debt.

The President says, Well, there is a shortfall in Social Security. He is right. He says the shortfall over 75 years is \$3.7 trillion. That is what the actuaries say.

What is the President's answer for the budget that he has sent us? His answer is, First, take another \$2.5 trillion out of Social Security to pay for his tax cuts and other things. Before you are done with that, establish private accounts that cost another \$750 billion over the next 20 years. Take that out of Social Security, and borrow that.

The President ran as a compassionate conservative. The one thing I know for certain is this is not conservative. There is nothing conservative about record deficits and record debt.

The President has said, Well, I came into office and we were attacked, and we had economic slowdown. Fair enough. That is true. We were attacked, and that required us to spend more money. I think virtually every Member here supported that. We had to spend more money for defense and for homeland security. But the President also says he came in a time of economic slowdown. That is also true. That is also fair. So we had tax cuts to give lift to the economy.

I didn't agree with his particular mix of tax cuts because they overwhelmingly benefited the wealthiest among us. The top 1 percent received 30 percent of the benefits of the President's tax cuts, and they are not paying 30 percent of the tax load in this country. They are paying substantially less than 30 percent. Yet they got the biggest benefit.

We are past the point of having been attacked. We are still at war. That is certainly the case. The President, in his budget, did not provide the funding for the war past September 30 of this year. He did not provide the money for this war. So that misleads the American people as to our true fiscal condition. He did not provide the money to fix the alternative minimum tax. He did not provide the money to make the Social Security changes that he has recommended. That is not really a budget. I don't know exactly what I would term it, but it is not really a budget. A budget is when you put down what you are going to spend and how much money we are going to bring in to pay for that spending.

The greatest fault I have with the budget before the Senate is it makes no serious attempt to have the spending match the revenue. Instead, it tries to be all things to all people: More tax cuts for those who want that, more spending for those who want that and, as a result, massive deficits and a massive buildup in debt, all of it at the worst possible time.

Why is it the worst possible time? It is the worst possible time because the baby boomers are about to retire. In 2008, just 3 years away, the leading edge of the baby boomers start to retire. Over a very short period of time the number of people eligible for Medicare and Social Security will double.

The President talks about that shortfall, but he does not do anything about it. He said, no, he does not want to do anything about Medicare, although the shortfall there is eight times the shortfall of Social Security. He said we just passed a bill, so we should let that work before we do anything. That bill did not help reduce the Medicare shortfall, it increased it. It increased our unfunded liabilities by \$8 trillion.

The President said in his budget, cut the taxes more, increase the spending, leave out a lot of things that we know are going to cost us money and, lo and behold, he says, it will cut the deficit in half over the next 5 years.

My colleagues on the other side of the aisle say the same thing about their budget proposal. They say it will cut the deficit in half over the next 5 years. But when you go to the budget document itself, what you see is quite a different story. When we go to the budget document itself, what you see is what they predict the debt will increase by every year of this budget. What we find is the debt will go up by \$600 billion a year each and every year of this 5-year budget. It is in their own document.

They say they are cutting the deficit in half. They have a very tortured definition of what the deficit is.

When I grew up a deficit was the shortfall. A deficit was a shortfall between what you are spending and what you are taking in. That is a deficit. And the amount of the deficit is added to the debt. They have said in their document the debt will increase by \$600

billion a year every year for this 5-year budget. There is no cutting it in half. There is no cutting it. It is almost the same year after year. And all of this before the baby boomers retire. The result is we are borrowing money from all over the world.

It is not only the budget deficit. The trade deficit is the biggest factor. That is over \$600 billion a year in a trade deficit. Our foreign borrowing in just 3 years under this President has increased almost 100 percent. We had \$1 trillion of foreign debt, debt held by foreigners in 2001. Now it is approaching \$2 trillion. That is just through December of 2004. We ran a \$600 billion trade deficit last year, so the indebtedness, what we owe foreigners, has been skyrocketing. That is utterly unsustainable. That puts us at great risk. If they decided not to show up to take our debt, we would be in big trouble very fast.

This budget, I regret to say, does absolutely nothing about the serious problems facing our country. The overarching challenge facing America is a buildup of deficits and debt, without question. The hard reality about this budget is it actually adds to the deficit in each and every year over just doing nothing. If we just put the Federal Government on autopilot and went home, we would be \$130 billion better off in the deficit than if we pass this budget.

For 2006 alone this budget increases the deficit by \$63 billion. Yet they come to the Senate and talk about fiscal responsibility and fiscal restraint and they are doing something about the deficit. They are doing something about the deficit. They are making it worse. We do not ever hear them talk about doing anything about the debt because their budget increases the debt every single year by over \$600 billion, according to their own calculations. They will increase the debt of this country by \$3 trillion in 5 years. And this is the crowd who said they were going to have maximum paydown of the debt just 3 years ago. The President told us he had a plan, that he could have these big tax cuts, defense buildup, massive tax cuts, that he was going to protect Social Security, going to protect Medicare, and going to have maximum paydown of the debt.

The only problem with it is none of it worked. None of it added up. And the result is instead of paying down the debt, the debt has skyrocketed.

I see the Senator from Hawaii is in the Chamber. How much time would the Senator like?

Mr. AKAKA. I ask for 10 minutes to speak on my amendment.

Mr. CONRAD. I am happy to yield 10 minutes on the amendment off the amendment time.

AMENDMENT NO. 143

Mr. AKAKA. Mr. President, I rise today to express my support for an important education amendment proposed by my colleague from New Mexico, Senator BINGAMAN, to S. Con. Res.

18, the fiscal year 2006 budget resolution.

Education is the key to our future. The continued economic growth and future prosperity of the United States depends on the quality of our educational system. But the President's fiscal year 2006 budget falls short of that goal, and this resolution does nothing to remedy this failure. It is the first budget in over a decade to cut funding for education. Much of the cuts are directed towards new and unproven initiatives at the expense of programs that almost everyone in the education community supports. We must do everything we can to ensure that children in this country get the best education available.

This budget resolution, like the President's budget, aims to eliminate 48 effectual education programs for student success: programs that prepare students to enter the workforce, such as adult education, programs that help students to prepare for and thrive in college such as TRIO programs, Pprograms that improve teacher skills such as the Teacher Quality Enhancement program, programs that prepare children to begin school such as Even Start, and programs that work to improve schools such as Comprehensive School Reform. S. Con. Res. 18 includes nothing to assure funding for these and other education programs.

One of the programs that the Bingaman amendment is working to restore is the Excellence in Economic Education Act. This program was included in the No Child Left Behind Act and works to promote economic and financial literacy in grades K through 12. There is a tremendous opportunity to instill in individuals the knowledge and skills that they need to make good decisions throughout their lives during their years in elementary and secondary education. This is particularly important as our students grow up in a world where we face more and more complex decisions related to managing limited resources and preparing financially for the future.

The majority of the EEE's funding, after being competitively granted to a national organization, provides funds to State and local partnerships for teacher training, assistance to school districts desiring to incorporate economics and personal finance into curricula, and evaluations of the impact of economic and financial literacy education on students, related research, and school-based student activities.

In Hawaii, a subgrant from the program is funding the development of a pre- and post-test assessment tool that will allow the Hawaii Council on Economic Education to measure the effectiveness of its teacher training courses and workshops. Another subgrant helped to fund a calendar poster contest on basic economics concepts conducted among elementary school students in Hawaii. A final EEE subgrant is focusing on enriching curriculum through economics. One of the wonderful things about some of the projects

funded by the EEE is that they are shared best practices, meaning that teachers and schools do not have to reinvent the wheel in the ways they convey economics and personal finance education.

Entities across the country received much-needed resources for economic and financial literacy through the EEE's first competitive subgranting process in the year 2004. Although the results of the act's first-year grants have not yet been compiled for evaluation, the program needs a chance to work before it is arbitrarily terminated. I am pleased that the Bingaman amendment will work to give the program this chance.

The cost for this and other programs included in the Bingaman amendment will be \$4.8 billion. However, this amendment is more than offset by various tax loophole closures and other reduction measures. Not only is this amendment revenue neutral, but it provides for fiscally responsible deficit reduction. Educating our children and reducing the budget deficit are both vital endeavors, and the Bingaman amendment does both.

Mr. President, as I said at the start of my statement, this budget resolution is a false promise. It underfunds education and shortchanges our future. It deprives our schoolchildren of needed programs and opportunities. It underfunds some, and cancels others outright. But we cannot afford to shortchange our schools. We cannot afford to shortchange our students. We cannot afford to shortchange our communities. And we cannot afford to shortchange our future. Again, I commend my colleague, Senator BINGAMAN, for offering this important amendment.

Mr. President, I yield back the remainder of my time and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. CONRAD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CONRAD. Mr. President, I alert colleagues that we are going to have a vote on the Bingaman amendment.

I ask the Chair, has that vote been set?

The PRESIDING OFFICER. It has been set for 5:30.

Mr. CONRAD. So in a half hour colleagues can expect a vote on the Bingaman amendment. I urge colleagues who might want to comment on that amendment or on the budget to take this time to come to the floor, and I remind colleagues that under the budget resolution we are limited to 50 hours. We took 5 hours off before we started. Today we started at 10 o'clock this morning, so we have used up another 7 hours. So we have roughly 38 hours left at this point. This is time that really should not be wasted. I urge my col-

leagues to come, make their statements, speak on the Bingaman amendment, and in a half hour we will be voting.

I thank the Chair and yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. GREGG. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. BURR). Without objection, it is so ordered.

Mr. GREGG. Mr. President, I want to speak briefly about the Bingaman amendment. As I understand this amendment, it would increase spending by \$4.7 billion, approximately, it would increase taxes by approximately \$8 billion, and it would break the caps set in this resolution. The purpose of those caps is to try to control spending. The first amendment out of the box breaks the caps—spends more money, raises more taxes. I think it can be justly characterized as a tax-and-spend amendment.

It is in an area where this President has done an extraordinary job of making a commitment of resources. In comparison to the prior President, for example, the numbers are quite staggering. This President has increased educational funding overall by almost 33.3 percent since coming to office. He has increased funding for No Child Left Behind by almost 46 percent since it started. He has increased title I spending by 52 percent over the Clinton administration and IDEA funding by 75 percent over the Clinton administration.

In fact, compared to the Clinton administration, which asked for no increases in title I and no increases of any significance in special education until the last year of his Presidency, this President has every year asked for over a half a billion dollars in special education and over a billion dollars of increase in title I. As a result, there has been a dramatic increase of resources flowing into those four core programs of Federal education at the elementary school level.

In addition, in the Pell grant level, this administration has also made a huge commitment, increasing funding over the last year of the Clinton administration by almost 56 percent and adding literally millions of more young students to the Pell grant program. And the budget resolution goes even further. Right now you can get a \$4,050 Pell grant. This budget resolution will immediately move that up to \$4,150 which costs about a half a billion dollars to do that, and we put in a special account to accomplish that.

In addition, we have structured this budget so that there is a capacity to accelerate the forgiveness of loans to students and move those loans over from the loan side to the grant side, the Pell side, so that a student under

this budget will actually be able to get \$5,100 in what amounts to Pell grants, if they go to school for 4 years, complete their education within 4 years, whether they go a regular 4-year college or a community college for 2 years and then transfer into a 4-year college. That is a huge commitment to students who are working to get their degrees in college and using Pell grants to assist them. It is dramatic.

In addition, this budget sets up a \$5.5 billion reserve fund to allow the education committee, chaired by Senator ENZI, to pass out the Higher Education Act reauthorization. That is new money for the Higher Education Act. And so this budget focuses a lot of energy on education. This President has dramatically increased funding for education.

So what happened? Well, the President suggested that the way you get this money for education, or part of it, is you look at all these different programs that are filtered around the Federal Government. They got there for well-intentioned purposes but mostly because somebody had an idea, and they decided the Federal Government should have a program here or a program there, and they are not major in the sense of money compared to title I or special education or Pell. They are not big pools of money. They are targeted initiatives.

The President said in his proposal: Let's look at those targeted initiatives, see if they are still essential in comparison to what is critical, which is that we make a strong commitment to special education, a strong commitment to title I, a strong commitment to No Child Left Behind, and a strong commitment to Pell grants.

That is a reasonable approach. It is called prioritization. That is what we should do as a government because we are supposed to be conservators of our people's money—otherwise known as tax dollars—not simply throw it at every program that comes down the road, but actually try to pick out the ones that are successful and put the money behind what is legitimately the Federal role, not what is necessarily a State role or a community role, which is what many of these individual smaller programs are. They are programs that the States or the communities could decide to pursue, but we have decided to try to federalize some small section of them because they make a good press release or in some instances they have strong constituencies.

So the President said: Let's look at this and try to prioritize. As a result, we have come up with a budget which dramatically increases over the last year of the Clinton administration the funding for title I, special education, No Child Left Behind, and Pell grants, and sets up a fund to be able to take care of higher education.

It is not appropriate, in light of this, that we should throw away fiscal constraint and essentially say we are no longer going to be concerned about

managing the dollars that are spent here at the Federal level on education; we are simply going to raise taxes and pay for all sorts of additional programs.

This amendment breaches the cap by almost \$5 billion, raises taxes by over \$8 billion, and it is nothing more than a tax-and-spend amendment. It should also be pointed out—and I will make this point on every one of these targeted amendments—that there is nothing in this amendment that will require the Appropriations Committee or the authorizing committee to spend this money on education. This money could be spent on roads, national defense, or homeland security. When you break the cap, when you raise these taxes, you do nothing more than put a number in the budget resolution that says we are going to break the cap by \$5 billion. We are going to raise taxes by over \$8 billion—I believe it is \$8 billion.

It is \$9.5 billion. They are raising the taxes by \$9.5 billion. I underestimated them.

In any event, all you are going to do is increase the cap—increase spending and increase taxes—and there is absolutely no guarantee, or even a likelihood, that this money will flow as the sponsor of the amendment wants it to because, for whatever reason, the Appropriations Committee does not take seriously suggestions from the Budget Committee. The Appropriations Committee does whatever it wants to do.

Under the rules of the Senate and under the law and under the Budget Act, that is the way it is supposed to work. We give them a top-line number, which happens to be \$843 billion. If this amendment were to pass, it would be \$447 billion or \$848 billion. We give them a top-line number, and they can spend it any way they want. So the representation that this is going to take care of some education program that happened to be passed, one of these specific little programs that has been listed here is just that—a representation—and it has very little viability or probability when it gets into the contest of other demands for spending within the appropriating process.

So this amendment, which raises taxes by \$9.5 billion and raises spending by \$5 billion, or approximately that—\$4.75 billion—accomplishes nothing more than to show that we are not a fiscally disciplined exercise here, and the first amendment out of the box from the other side of the aisle reinforces once again that fiscal discipline is not high on the agenda when it comes to this budget and when it comes to some Members of this body. I hope people will oppose this amendment.

I yield the floor.

The PRESIDING OFFICER. The Senator from North Dakota is recognized.

Mr. CONRAD. Mr. President, our dear colleague left out one very important fact about this amendment. This amendment does restore the cuts to

education, but it does another thing: it reduces the deficit by a like amount. So this amendment restores the cuts to education, but it raises additional money through the closing of corporate tax loopholes to also reduce the deficit by \$4.75 billion.

When the Senator talks about fiscal responsibility—I know it is a new idea on their side—fiscal responsibility is actually reducing the deficit. This amendment supports education and reduces the deficit. That is something that is critically important that we do. I know the budget from our friends on the other side doesn't reduce the deficit, though they say it does. If you examine the document itself, look on page 5 and see how it increases the debt each and every year by more than \$600 billion, by their own calculation. It demonstrates that this is not a fiscally responsible budget. To use "fiscally responsible" in attachment to this budget is truly farfetched.

The Senator from Massachusetts is seeking time to speak. How much time would the Senator like? We have the vote at 5:30. We should probably retain some time for Senator BINGAMAN, if he would like to close.

Mr. KENNEDY. Five or 6 minutes.

Mr. CONRAD. I yield 6 minutes to the Senator from Massachusetts. If he seeks additional time, we may be able to provide that as well.

The PRESIDING OFFICER. The Senator from Massachusetts is recognized.

Mr. KENNEDY. Mr. President, a budget is supposed to be a reflection of our Nation's priorities. Unfortunately, when it comes to education, what we are saying in this national budget is we will spend 2 cents out of every Federal dollar on education. Do you hear me? If we went to any group of Americans across this country and asked them, what do you think your priorities are, what do you think we ought to spend on education, I bet 9 out of 10 would say, out of every dollar we ought to spend more than 2 cents. Under this budget, it is 2 cents out of every dollar. That is basically what this Budget Committee has given us.

This is against a background where the U.S. is falling further and further behind every other nation in the key ingredients. If you look at where the U.S. was in 1975 in terms of math and science, the U.S. was third in the world. If you look at the year 2000, we are 15th in the world. Why is it that after World War II, when we had the return of service men and women who fought for this country, 5 cents out of the Federal budget went to education? Why is it that when the Russians challenged us with Sputnik, we went to 5 cents out of every dollar in education? Now we are going to 2 cents. We are challenged globally, not only economically with the outsourcing of jobs and the rush of low-paying jobs, but we are going to be challenged in terms of national security as well, make no mistake about it.

We are talking about investing in the young minds of this country. What we

are finding is a continued deterioration in that commitment. You can go back and fiddle around with all of the statistics and percentages you want—we are not, as a nation, investing in math and science in the education of our young people. In this budget, under the Republicans now, we find that there is ample opportunity to give another \$70 billion in tax breaks, but they will not provide that kind of investment in our children in terms of their future in math and science and other education. That is the issue. Senator CONRAD pointed out that this is paid for. Yes, this will also provide a reduction in our deficit. The question is: Do you want to invest in education of the young people of this country? We are seeing where we stand.

We need this amendment because this amendment will make a difference. It makes a difference in a number of different areas. We just voted in the Senate 98 to 0, in terms of the Perkins legislation, to provide additional skills opportunities. I listened last week, when we wanted an increase in the minimum wage, to my friend from Wyoming say that what we need in this country is to give people skills. I believe we ought to provide that opportunity. But under the administration and this budget program, there is a cutback.

My friend from New Hampshire says: Oh, no, this isn't really a cutback. This budget is really an accumulation of our recommendations to the Senate. The fact is they have accepted completely the President's budget in terms of cuts. They say we will accept what the President recommended in terms of cuts, and those cuts are there in education. There are cutbacks on training, skills, and on school dropout programs. Is there anyone in this body who has visited a school and has talked to teachers or parents or school boards or principals who does not understand what we are facing in this Nation in terms of the school dropouts, cutting back on education, trying to provide additional technical education to the children of this country?

The Senator from New Hampshire points out all of the increases we have seen in the Pell grants in recent years. He and I must have different books because I have the Department of Education Fiscal Year 2005 Budget Summary.

I have it right here. Under Pell grants, if you look at that, a third of the way down, it talks about 203, 204, and 205 requests, and they virtually are identical.

Anybody in this Chamber who visits their local schools will find out the challenges that are presented to those schools. This Nation better figure out it better have more than 2 cents out of every dollar going to education. That is absolutely essential. The Bingaman amendment will make an important difference, and I hope this body is willing to accept it.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. GREGG. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GREGG. Mr. President, after consulting with the Democratic leader of the committee, Senator CONRAD, we reached the following agreement. I ask unanimous consent that Senator BENNETT be recognized after the vote for half an hour; Senator CONRAD will control the time until 8:45 p.m. At 8:45 p.m., Senator STEVENS will be recognized for an hour, and the time running on the vote will be charged to both sides and come off the time of the bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GREGG. I thank the Presiding Officer.

Mr. CONRAD. Mr. President, it is our understanding that when Senator STEVENS is done, we will end for the day.

Mr. GREGG. That is correct, except for wrap-up by the leader.

The PRESIDING OFFICER. That is the understanding of the Chair.

Mr. CONRAD. I thank the Chair. With that, we have a good agreement, and we also understand between us that if there are Members who feel excluded in some way we will work to be flexible and give people some time, perhaps trade out time in some way to make sure people have a chance to speak.

(At the request of Mr. REID, the following statement was ordered to be printed in the RECORD.)

• Mrs. CLINTON. Mr. President, I strongly support Senator Bingaman's amendment to restore funding for education. I am pleased to be a co-sponsor of this critical amendment. And while I am unable to be present in the Senate today to vote, I would like the CONGRESSIONAL RECORD to reflect that if I were present, I would have voted aye.

The Republican budget is nothing short of an assault on education. It cuts education for the first time in a decade, does not provide sufficient funding to sustain current levels of funding for all programs, provides virtually no increases to Title I or IDEA, and neglects to fund any new initiatives.

One of the most egregious examples is the lack of funding for No Child Left Behind, NCLB. At a time when our schools are struggling to meet the requirements of the No Child Left Behind Act, the Republican budget provides \$12 billion less than was promised, including \$947.5 million less for New York, bringing the total funding shortfall since NCLB was passed to almost \$40 billion. If enacted, that would mean 296,648 children who are eligible for Title I will be denied services. This budget leaves behind 3 million disadvantaged students who would receive services if the Republicans had kept

their promise for funding for No Child Left Behind.

This budget also fails to provide what is needed for special education, and it does so just 3 months after the President signed the Individuals with Disabilities Education Act into law. This budget betrays the bipartisan funding agreement contained in that law by funding special education at \$3.6 billion below the promised level. As a result, funding for IDEA would provide just 18.6 percent of the national average per-pupil expenditure toward meeting the excess cost of educating students with disabilities—still less than half of the 40 percent “full funding” level that Congress committed to paying when the IDEA was first adopted 30 years ago.

The resolution before the Senate today provides minimal increases to Title I and IDEA, but pays for them by abolishing and slashing funding for programs that have a big impact on at-risk students. Among the programs targeted for elimination are technology grants that help close the digital divide, safe and drug-free schools, the dropout prevention program, alcohol abuse reduction, elementary school counseling, arts in education, and smaller learning communities. The budget also abolishes the school leadership initiative, a program that I was proud to help design back in 2001 and which has provided critical funding to recruit and retain talented principals to lead our troubled schools.

At the same time that the President has proposed to eliminate the school counseling program, only 1 in 5 children with mental health problems receives services in any given year. The current counselor-to-student ratio in elementary and secondary schools is 1 to 560, roughly 9 percent higher than it was last year, and over double the ratio of 1 to 250 recommended by such organizations as the American School Health Association.

And while the President has proposed to eliminate the dropout prevention program, the Nation faces a dropout crisis. According to estimates by the Civil Rights Project and the Urban Institute, 50 percent of Black and 53 percent of Latino youth complete high school on time.

The budget also eliminates several early intervention programs that help disadvantaged students prepare for and succeed in college. GEAR UP, a Clinton administration initiative that prepares entire grade levels of low-income students for college, would be abolished; a move that would deny services to 20,086 New York students. The TRIO programs Upward Bound and Talent Search, which provide tutoring, mentoring and college counseling services to 19,000 New York students, would suffer the same fate. Senator BINGAMAN's amendment would restore these valuable programs.

Senator BINGAMAN's amendment would also restore funding for Even Start, a family literacy program that

serves low-income communities. Last year, New York received \$19 million for this program. The Republican budget provides nothing. I worked with Senator SNOWE to spearhead a letter to the Appropriations Committee in October of last year asking for \$250 million for this program, and I will do so again if this amendment is unsuccessful.

Ironically, this budget also eliminates the Perkins Vocational Education program, a program that this body voted 99 to 0 to maintain last Thursday. In New York, the Perkins program helps approximately 275,000 high school students and 200,000 post-secondary students in New York attain technical skills to launch successful careers in the 21st century. Yet the Republicans propose to abolish it. Along with Senator COLLINS and 30 of my colleagues, I sent a letter to the Budget Committee specifically asking them to maintain this program. I am disappointed that the will of so many Senators was ignored.

Fundamentally, this budget is a reflection of our values and our priorities. And the message the Republican budget sends is loud and clear: our children and the schools they attend are low on the list. I hope this body will support Senator BINGAMAN's amendment, which takes an important step toward putting children closer to the top.●

The PRESIDING OFFICER. Who yields time? The Senator from New Mexico.

Mr. BINGAMAN. Mr. President, I wish to speak very briefly. I gather we will have a vote in 3 minutes on my amendment. I wish to speak very briefly to summarize what it does and urge my colleagues to support the amendment.

The amendment very simply tries to restore in this budget the funds that the President has recommended we eliminate for various educational programs and that this budget also recommends we eliminate for various educational programs.

There is a long list of educational programs that is slated for termination in this budget. There are 48 programs. Some of them are programs about which many of us have spoken very eloquently. The Vocational Education Program, the Perkins legislation we passed last week, is a good example. We had a 99-to-0 vote in the Senate to reauthorize the legislation for vocational education, most of which is in our high schools, that is contained in that Perkins legislation.

This budget, the budget the President has sent us, would eliminate funding for that program. We have a great many other programs—Arts in Education; the GEAR UP program, which is focused on trying to assist minority students and economically disadvantaged students to go on to college; the TRIO program; the Upward Bound Program which, again, serves many students in my State and throughout the country. These are all programs that I

hear about when I go back to schools in my State. People say these are good programs. They are programs that are helping our students. They are, in fact, strengthening our high schools.

I know the administration's position is that we should concentrate on high schools this year and perhaps next year. That is the President's desire, that No Child Left Behind should also be extended into our high schools. I favor doing that, but I also believe very strongly that we need to keep the programs in place that are helping our high schools. We need to build on the successes we have had, not eliminate the successes we have had.

I feel very strongly that unless we add this additional money and keep these programs in place, we will, in fact, be putting our schools back rather than forward.

One other program I wish to mention which is slated for termination in the President's budget and, of course, in this budget that is presented to us in the Smaller Learning Communities Program. We are spending in the current year \$94.5 million in that program. That is a program to help primarily high schools to restructure so they can provide smaller learning environments for their students. This is an extremely important concept. I am persuaded that much of the dropout problem in our schools is the result of the fact that we are sending students into very large high schools. We need to help them restructure into smaller learning communities. These grants help to do that.

I believe very strongly that we should be increasing that funding, not eliminating it. For that reason, I urge my colleagues to support the amendment.

I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The question is on agreeing to amendment No. 143. The clerk will call the roll.

The legislative clerk called the roll.

Mr. MCCONNELL. The following Senators were necessarily absent. The Senator from South Carolina (Mr. GRAHAM), the Senator from Arizona (Mr. MCCAIN) and the Senator from Kansas (Mr. ROBERTS).

Mr. DURBIN. I announce that the Senator from New York (Mrs. CLINTON), the Senator from New Jersey (Mr. CORZINE), the Senator from Iowa (Mr. HARKIN) and the Senator from Vermont (Mr. LEAHY), are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 44, nays 49, as follows:

[Rollcall Vote No. 45 Leg.]

YEAS—44

Akaka	Biden	Byrd
Baucus	Bingaman	Cantwell
Bayh	Boxer	Carper

Chafee	Johnson	Nelson (NE)
Coleman	Kennedy	Obama
Conrad	Kerry	Pryor
Dayton	Kohl	Reed
DeWine	Landrieu	Reid
Dodd	Lautenberg	Rockefeller
Dorgan	Levin	Salazar
Durbin	Lieberman	Sarbanes
Feingold	Lincoln	Schumer
Feinstein	Mikulski	Stabenow
Inouye	Murray	Wyden
Jeffords	Nelson (FL)	

NAYS—49

Alexander	Dole	Murkowski
Allard	Domenici	Santorum
Allen	Ensign	Sessions
Bennett	Enzi	Shelby
Bond	Frist	Smith
Brownback	Grassley	Snowe
Bunning	Gregg	Specter
Burns	Hagel	Stevens
Burr	Hatch	Sununu
Chambliss	Hutchison	Talent
Coburn	Inhofe	Thomas
Cochran	Isakson	Thune
Collins	Kyl	Vitter
Cornyn	Lott	Voinovich
Craig	Lugar	Warner
Crapo	Martinez	
DeMint	McConnell	

NOT VOTING—7

Clinton	Harkin	Roberts
Corzine	Leahy	
Graham	McCain	

The amendment (No. 143) was rejected.

Mr. GREGG. Mr. President, I move to reconsider the vote.

Mr. SANTORUM. I move to lay that motion on the table. The motion to lay on the table was agreed to.

Mr. GREGG. Mr. President, for the information of Members, we will now have a number of speakers, but there will be no additional votes this evening.

Senator CONRAD and I are working on an agreement, hopefully, so we can line up votes for tomorrow and debate for tomorrow morning, and hopefully on those amendments which will be related to Social Security, assuming agreement is reached.

At this time, I believe the unanimous consent agreement calls for Senator BENNETT to be recognized for half an hour, followed by Senator CONRAD having the time until 8:45, at which time Senator STEVENS will be recognized.

The PRESIDING OFFICER. The Senator is correct.

The Senator from Utah is recognized.

Mr. BENNETT. Mr. President, the Budget Act indicates that during every budget debate there should be a period of time discussing the general economy. As the past chair and current vice chair of the Joint Economic Committee, I feel I am in a position to do that. I want to share with my colleagues a statement of where the economy is now, and then make a few comments about where it may be going and talk about the future.

Naturally, you can't have a conversation about the economy without charts. That seems to be one of the essentials for any economic discussion. So I brought a fair number of charts to outline the economy to the Members of the Senate.

This first chart is an historic chart that goes back to the years of the early

1970s. All of the bars above the lines are quarters of economic growth. They are measured in GDP growth, the percentage of growth in the gross domestic product. The bars below the lines are quarters of gross domestic production shrinkage where the economy contracted.

If we go back to this period in the early 1980s, we see what the economists call the double dip, the dreaded period where the economy goes into recession, comes out of it, and then slips back into recession. Those who are old enough to remember the early 1980s remember how difficult a time that really was. I have a very clear memory of one of my associates in that period of time who said to me: Bob, be very, very grateful you have a job. Unemployment was high, business activity was off, the economy was recovering, or attempting to recover from the great inflation.

We talk about the 1930s as the days of the Great Depression. The late 1970s were the days of the great inflation. All kinds of things were happening. I remember running a business in this period and going to the bank to borrow money and feeling very fortunate I was able to borrow money at a 21-percent interest rate to support my business. The folks on the late-night comic shows were talking about the height of the interest rates. I remember one who said Jimmy Carter is the only President in history whose approval rating is below the prime rate.

We came out of that period with the help of a combination of activity by the Federal Reserve with Paul Volcker, actions by the Congress, and tax cuts under President Ronald Reagan. We survived through this, and we had a period of tremendous economic growth, the strong recovery out of the recession, and then, after that recovery had taken hold and gained traction, a period of good economic growth. Then we went into the recession that occurred during the Presidency of the first President Bush—much milder than the dreaded double dip of the 1980s but, nonetheless, a period of contraction. The recovery was not as strong as this one following the double dip because it did not have that much to rebound from. But we had that recovery and then a period of strong economic growth until we come to the recession from which we have just emerged.

Interestingly, this, by technical definition, was not a recession because the technical definition of a recession is at least two successive quarters of shrinkage in the gross domestic production. We never had two successive quarters. What we had were three quarters, not in succession; by historic standards, we had a very mild contraction in the size of the economy.

This was, perhaps, the shortest and shallowest recession that we have had in our history. We did not have that strong a recovery.

When I asked Alan Greenspan why the recovery was not taking hold, he said because the recession was so short

and shallow. If you want a really strong recovery like the one we had after the double dip, you have to be coming out of a recession as bad as the one at that time. So we can be grateful.

The recent recovery finally got traction in the second half of 2003, and we see now we are in a period of very strong economic growth, which by historic standards is as good as the economic growth we had in the other two areas. The light blue at the end is what the economists are forecasting for the balance of 2005. But interestingly enough, already the newspapers are saying those forecasts may be too conservative. As they go back and look at the business activity in the first quarter of 2005, they are saying 2005 may very well be a better year than is being forecast. Those are the figures and the statistics for the economy as a whole.

Now we will look at the question of jobs. We heard a lot of rhetoric prior to the election about how bad the job situation was. The background shaded areas in the figure are the areas of recession. You see the unemployment numbers superimposed upon the historic periods of recession. From the period of the double dip, we saw unemployment get into double digits—10.8 percent was the peak. Then it came back down and in this area which is about 7 percent you would feel, OK, the employment picture has gotten good again. We are down from 10.8 down into the 7-percent range. Then, as the economy became even stronger, the unemployment rate fell down. When the recession hit in the early 1990s, unemployment came back up to 7.8 percent, a very large increase from where it had been, but in historic terms not that bad. When the recovery took hold, this time unemployment came all the way down to about 4 percent. Then the recession hit and unemployment spiked at 6.3 percent.

I remember when I took economics in college they told me 6-percent unemployment was full employment—that the economy could not employ more people than that without heating up with inflation. We found out that was not true here. True to the pattern, the peak was reached at 6.3. It is now falling back. Unemployment is at 5.4 percent, well below the averages of the 1970s, 1980s, and 1990s. The economy in these categories is behaving as it has throughout our past history.

Another look at jobs. Here are the jobs per month created since the recovery took hold. We can see it was in the second half of 2003 that the recovery took hold. We started creating new jobs in May of 2003, and while it was anemic for a while, then it really took off in the first part of 2004 and on through. We have had 21 months of increased employment every single month, and we have created over 3 million jobs in that period of time. The economy continues to show signs of creating jobs because jobless claims, which are the forecast of new jobs, have been falling.

Once again, this is the period of the recent recession and jobless claims were going up and peaked in that period. They flattened out. When the recovery took hold in the middle of 2003, they started down in 2003 and they continue to trend downward, indicating that the increase in jobs is something we can look forward to for a fairly good period of time ahead.

Business activity, dividing between service and manufacturing activity: We can see that for the manufacturing sector the recession was very difficult. The blue line shows expansion or contraction. Manufacturing started down in early 2000, went below the line and stayed there until 2002, briefly came back up, and then dipped below again in the first part of 2003. Once again, that is when the recovery took hold and manufacturing has been in positive territory ever since. Services have done better than manufacturing all the way and both of them remain in the position of expansion.

During that period, however, inflation has remained well under control. Here are the inflation numbers. The Consumer Price Index, in the dark blue, has come down and remained fairly low, but the personal consumption expenditures price index, which is the inflation measure that the Federal Reserve uses to determine what is going on with inflation, is even lower and is staying more stable.

So the recovery has taken hold in all sectors, manufacturing as well as services. Jobs are coming back, and the forecasters say we will have economic growth at or above the level we enjoyed during the 1990s, at least through 2005.

What about the deficits? We keep hearing a lot of conversation about deficits around here and people saying: Well, maybe the economy is doing that well, but it is all because of runaway deficits.

Here again is the historic pattern of deficits. You can see the deficits spiked as a percentage of GDP during the 1980 double dip. It got to 6 percent GDP. In the recession of the early 1990s, it did not get that high. It was a little bit under 5 percent. This last one has been under 4 percent. The deficit peaked at a lower level than the peaks of the two preceding recessions. The dotted line that is shown here is CBO's projection of where the deficit is going as a percentage of GDP.

Now, you can say: How can it be falling as a percentage of GDP when it is going up in total dollars? Well, if it is rising less rapidly than GDP is growing, it is falling as a percentage of GDP.

Let's look at the numbers behind the deficit to see what is happening with respect to revenues. Here are the tax revenues as a percentage of GDP, again in historic context. They peaked in 1969–1970. And then when the recession hit, they fell. Here is the double dip, 1980–1982. Just before that recession, they peaked. The recession hit, and revenues fell dramatically.

The last one, 1990–1991, they did not come back up that much. But they fell as soon as the recession came along.

Then we had the revenues to a historic high as a percentage of GDP, up over 21 percent, coming at the time of the dot-com bubble.

One of the things that was responsible for this tremendous rise was the capital gains revenues. We in the Congress cut the capital gains tax rate from 28 percent to 20 percent and produced 5 times—5 times—the capital gains realizations that CBO had projected. There were so many people with so much inflated value in their stock who took advantage of that capital gains tax cut, who cashed it all in and paid that capital gains tax, and that pushed the revenue to unprecedented highs as a percentage of GDP.

The combination of the collapse of the dot-com bubble, and the collapse of the stock market that came along as a result, and the recession drove receipts down. And, yes, the tax cuts played a role there. There are those who were saying the tax cuts were solely responsible for this. The data do not support that. But they came back down.

What is happening is they are coming back up, as they always have. After every recession, revenues have come back as a percentage of GDP. And here are the specifics of how they have come up in fiscal 2005, in the years we have been operating in this fiscal year. The corporate income tax is up 50 percent from where it was a year ago. Payroll taxes are up 6 percent of where they were a year ago. Personal income taxes are up 10 percent of where they were a year ago. That is a clear indication, once again, that the recovery has taken hold and it is producing the standard historic response to a recovery after a recession. Revenues increase as the recovery takes hold.

The overall number is 9 percent. All total revenues are 9 percent higher than they were in the previous year's corresponding months. Total spending in that period is up 7 percent. That includes the war. That includes the supplementals. That includes all of the things we have done here. Total spending is up 7 percent higher than it was the previous year. But total revenue is up 9 percent higher than it was the previous year. So the recovery is taking hold and the deficit as a percentage of GDP is, in fact, staying within historic norms.

Now, I do not want to leave the impression from all of this that the future, therefore, is completely rosy and we do not need to worry about the deficit or that we do not need to worry about the future of the economy because lying there in our future is a major challenge. This has been talked about many times on the floor by Senators from both sides of the aisle. But I want to dramatize it with this set of charts.

I go back to fiscal 1966. Why did I pick fiscal 1966? That was the first year we began to see spending for Medicare.

Medicare was passed prior to that time, but they had to gear up for it. They had to do the kinds of preparations they are doing now with respect to the drug benefit, so that the first time you began to see spending for Medicare was 1966.

All right. These colors on the chart demonstrate how the budget was divided. The big portion of the budget, the dark blue, is defense spending. Defense spending in 1966 was 44 percent of the Federal budget.

The light blue is non-defense discretionary spending. That was everything else. That was highways. That was education. That was courthouses. That was the Customs Office. That was everything we did in Government, which was 23 percent. Interest costs on the national debt were 7 percent. And the red, the mandatory spending, was 26 percent, the mandatory spending primarily being Social Security.

All right. That is what it was when the Medicare spending started.

Now, look what has happened today. This is 2004. The mandatory spending has grown to 54 percent. It is like a Pac-Man beginning to close in on everything else. The defense discretionary, even while we are at war, has shrunk to 20 percent of the budget. The nondefense discretionary is at 19 percent. It shrunk a little from where it was before, but close to the same. The interest costs are steady at 7 percent of the budget. But we have seen mandatory spending go from about 25 percent in 1966 to 54 percent in 2004.

Now let's go out in a projection. This is not a projection into the far distant future. This is only 10 years. We can be a little more confident of a 10-year projection than we can a 20-or 30-year projection. See how the Pac-Man portion of this circle is growing. Mandatory spending is now up to 62 percent. Defense discretionary has shrunk to 14 percent. Nondefense discretionary has shrunk to 15 percent, and interest costs have grown to 8 percent.

If you project this out, as this begins to take over all of the chart, the one thing that will challenge it is not defense spending and not discretionary spending, it is interest costs. As this begins to grow to the point where we cannot cover it, then we borrow more and more, and you will see the yellow begin to push the red back. You would see the yellow begin to take over where the red took over first.

I make this point because, as we are dealing with this budget, we should remember the impact of mandatory spending. I use this figure to illustrate this point to my constituents who say to us: The deficit must be brought under control. You in Congress must stop spending. You have to show some spending discipline, or the deficit will overwhelm us.

Let me give you two numbers. The President's budget proposal is for \$2.7 trillion. The amount of discretionary spending that we are debating in this budget is \$843 billion, and that \$843 bil-

lion includes defense. That is why it says defense discretionary. If you take defense off the table on the grounds that we are at war and say, all right, you are going to have to balance the budget and bring the deficit under control by controlling spending, the only portion of spending over which we have any authority becomes 19 percent of the total budget. The other 81 percent will go on regardless of what we do.

That is why we have to have the courage, looking ahead at this that is coming, to say somehow we have to roll back the mandatory spending. You cannot balance a budget of \$2.7 trillion by shaving down a percentage of discretionary spending. If we were to have an across-the-board cut of 10 percent of all discretionary spending, we would have a cry of outrage on this floor that would be heard all over the country. A 10-percent across-the-board cut? A 10-percent across-the-board cut for IDEA? A 10-percent across-the-board cut for food stamps? A 10-percent across-the-board cut for everything we do in Government? Absolutely not. But if we were to enact that 10-percent across-the-board cut, ignoring the mandatory spending, that would yield only about \$80 billion out of a budget of \$2.7 trillion. To use a phrase that all of the politicians in the room can understand, that is within the margin of error. And \$80 billion out of a budget of \$2.7 trillion makes little or no impact.

That is why in this budget debate we should keep in mind two things: First, as I hope I have illustrated, right now the economy is strong. It is robust. The recovery has taken hold. Jobs are being created. The deficit is coming down as a percentage of GDP. Things are moving in the right direction virtually across the board.

However, if we do not now exhibit the courage to start taking steps to hold down mandatory spending, all of the present work that we have done to make the economy solid, sound, and strong will be for naught. It will be overwhelmed by a sea of red ink, coming not from the fact that Congress is being profligate in the appropriations that we make and spending decisions that we did not have the courage to deal with the mandatory programs.

Now I have talked about Medicare, and that is the one that seems to have the greatest pressure. But we are also talking about Social Security, a mandatory program. We are talking about Medicaid, a mandatory program. We are talking about farm subsidies, a mandatory program. We are talking about the kinds of things that politicians have a very tough time addressing. This budget begins to address the mandatory programs very slightly, very gently, and in very small amounts. But they have already set off alarms of complaint around the Capitol that "you are trying to balance the budget on the backs of the poor." That is a great slogan, and nobody wants to balance the budget on the backs of the

poor, but we have to recognize that if the economy goes into the tank because of runaway spending, driven by mandatory, it will be the poor who will pay the heaviest price.

I remember during the 1990s, when we were enjoying as much expansion as we were in the gross domestic product, one of my colleagues asked Alan Greenspan, Chairman of the Federal Reserve: who benefited most from this boom? He was expecting Greenspan to say it was the rich because look how rich they have become. He was a little surprised when Chairman Greenspan said—and I agree with what he said: Without question, this good economy has primarily benefited the poor.

My colleague said: How can you say that because the poor have not gotten as big an amount of money as have the rich?

The chairman said: The poor have seen their life circumstances change far more dramatically than the rich have. They can get jobs where they could not before. They are beginning to buy homes in ways they could not before. They are beginning to save money in ways they could not before. There is no question but what, in terms of the impact on people's lives, this strong economy has benefited the poor more than anybody else.

That is why we should look at these numbers that I have shared with the Senate today and realize that our primary stewardship must be to keep the economy as strong as we possibly can, that there is nothing we can do that would benefit the poor more than to see to it that this recovery remains robust and that the future moves away from this chart back to the kinds of proportions that we have today on this chart, where mandatory spending is roughly half instead of two-thirds of the total obligations of the Federal Government.

I salute the chairman of the Budget Committee for his resolution and determination to see that we do that, and I hope the Members of the Senate will support the budget as it has been reported from the Budget Committee.

Mr. President, I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. GREGG. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GREGG. Mr. President, I ask unanimous consent that the time between now and when Senator DURBIN arrives, up to 15 minutes, be divided equally between the two sides. If Senator DURBIN arrives before then, his time will begin, obviously, when he starts to speak. Then the time from when Senator DURBIN starts to speak until 8:45 p.m. be charged to the Democratic side, and at 8:45 p.m. the time will be charged to our side when Senator STEVENS controls the time.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GREGG. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mrs. MURRAY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mrs. MURRAY. Mr. President, I rise tonight to talk about the budget that is now before the Senate. We have to remember that a budget is really a statement of priorities. It talks about how we choose to allocate our resources, and it says a lot about the kind of country we want to be and whether we want communities where opportunities are available to a few or communities where opportunities are available for everyone.

When I was growing up, my father was a World War II veteran. When I was in my teens, he was diagnosed with multiple sclerosis. Pretty soon he was no longer able to work, and my mother had to go to work to support seven kids. Fortunately, with some help from our Government, she got the help she needed to get a good job to take care of us and to take care of my dad. Without that kind of help, I would not be sitting here tonight as a Senator.

My family is not alone. Our country has a proud tradition of helping those who fall on hard times and helping them to reach their full potential. That tradition comes from fundamental American values, and one of those values is a belief in the importance of community.

The American philosophy says we all count and we are all in this together. It says that if I am doing well personally but my neighbors are suffering, I am not doing so well after all either. Today, those community values, those American values, are under attack by a budget that places too little value on the things ordinary Americans need. In doing so, this budget imperils the American dream for every one of us. To keep the American dream alive, I believe we have to put America first. For our Nation to be strong and continue to be an example to the world when it comes to creating opportunities for a better life, we have to be strong at home.

Unfortunately, this budget that is now before us does not put America first. This budget does not allow us to provide the kind of support Americans need in a number of critical areas, ranging from support for our veterans, to education, to health care, to the environment, to funding for our rail system. When this budget cuts funding to these priorities, it puts opportunities out of reach for ordinary working Americans who play by the rules and want nothing better than a chance for a better life for their families. They deserve the chance at a better life, and it

is our responsibility to do all we can to give them that chance by making the right investments so they can be safe, healthy, and productive. We must not fail in or overlook this responsibility to put America first. Future generations of Americans are relying on us to make the right decisions now, and the fact is we still have the opportunity to do the right thing in this budget that is before us.

My first concern about this budget is that it is fiscally irresponsible. While the President and this Congress have consistently prioritized tax breaks in a time of war, the war itself has not been enough of a funding priority. It simply astounds me that this budget does not fund the true and full cost of the war in Iraq, which includes rebuilding. It also includes the cost of taking care of our veterans when they return home from their missions. At a time when our Nation is at war, our top priority has to be to support our men and women in uniform. I am deeply concerned that this budget fails to do so. Instead, we are asked to keep the cost of war off-line as we pass that cost on to our children, our grandchildren, and future generations of Americans. These costs are knowable. We have been there for years now, and the costs should be reflected in our budget.

This budget underfunds veterans' needs by nearly \$3 billion, failing in our commitment to provide the health care and benefits they have been promised in return for the sacrifice they are making for all of us. We have an obligation to care for those who have taken care of us, and, unfortunately, this budget does not meet that obligation.

Access to first-class care should be a reality for all veterans, especially while our Nation is at war. This budget may contain a few steps in the right direction, but sadly it does not go far enough to meet the needs of our veterans. If this budget is enacted, it will severely damage veterans health care. Payroll and inflation increases for doctors, nurses, and medications cost more than \$1 billion, but this budget proposes to give the VA only half of what it needs.

To make up for this shortfall, the budget forces more than 2 million middle-income veterans to pay more than double for their needed medications and to pay a \$250 enrollment fee. In addition, this budget actually continues to ban some veterans from coming to the VA for care, and so far under this flawed proposal 192,260 veterans have been turned away across the country, including more than 3,000 in my home State of Washington. That sends the wrong message to our troops who are serving us overseas. They need to know that we are there for them when they return home. This budget also imperils the relationship between the VA and the States. The VA has supported the cost of veterans residing in State VA nursing homes since the Civil War. Yet this budget calls on States to cover the

entire cost for many veterans in these cost-effective nursing homes.

To make this budget add up, this proposed budget calls for \$590 million in unspecified efficiencies. That means thousands of nurses and other providers are going to be cut; thousands of nursing home beds are going to be shuttered; and more than a million veterans are no longer going to be able to come to the VA for the health care they were promised and they deserve.

This budget falls very short in providing the general public with the health care they need. Today there are 45 million Americans who are uninsured. Without the safety net of Medicare and Medicaid, those numbers would be far greater. Let's take Medicaid as an example. Medicaid provides insurance to 40 million Americans and covers 55 percent of poor children. It also covers significant numbers of disabled, of elderly, and it provides the bulk of long-term care. Far too many Americans rely on Medicaid to defund it now.

Whatever the final number of the proposed cuts, and even if we call those improved flexibility, people are going to be hurt badly. The fact is, we should not forget that already-strapped States are going to be left to make up the shortfall because of what we do here. That is not right, and I hope we can correct it as we go through the amendment process.

Let me also talk about education. We had an amendment a short while ago, offered by Senator BINGAMAN. I think all of us need to remember that States are being overburdened by cuts in our educational system. This is another area where I believe this budget fails us as a community and it reflects the wrong priorities. It fails to provide the support necessary to build a workforce with the skills and education necessary so we can pass on a strong and secure economy.

This budget will cut educational funding for the first time in the past decade. It is going to eliminate 48 programs totaling \$4.3 billion—programs our children rely on. The programs that have been cut include critical early intervention and college readiness programs, programs such as GEAR UP and TRIO that have been so successful.

This budget also fails employers because it fails to provide the funding we need to bring skilled workers into tomorrow's workforce and to keep our economy growing by eliminating the \$1.3 billion Perkins Vocational and Technical Education Program. That is a bad move for students who are entering the workforce, it is a bad move for employers, and a bad move for the future of our economy.

The supporters of the underlying budget say it does not contain the assumptions of the cuts. But appropriators will not have the option to increase or even maintain current levels of funding in critical educational programs if we do not at least restore the

funding for the programs that have been cut.

I offered an amendment in the Budget Committee to restore these cuts, and it failed on a party-line vote, just like the vote tonight in the Senate. We need to remember these cuts are real. They are going to affect real people.

Just last week, one of the last things we did was to reauthorize, here in the Senate, the Perkins Vocational and Technical Education Act, while at the same time the Republicans on the Budget Committee voted down my amendment that would have restored the \$1.3 billion that program needs to make it work. We are now considering a budget without that amendment.

There are some increases for education in this budget, but they are very deceptive. For example, instead of fulfilling the promise of No Child Left Behind, this budget funds a meager 1.3 percent increase to No Child Left Behind and underfunds it by \$12 billion.

This budget increases funding for title I, which is the program that funds disadvantaged students, by 4.7 percent, but that is also very deceptive. There is a shortfall of over \$9 billion in this program. That concerns me, as someone who knows. We have a responsibility to make sure the generations that come after us have the skills they need to be productive so we will have a strong country that we can all count on in the future.

Another area of deep concern for me is this budget's failure to fund Amtrak. This budget sets the overall levels for domestic discretionary spending at the level included in the President's budget. That proposal includes his anticipated zero amount for Amtrak's traditional subsidy and \$360 million for continuation of commuter service. If this budget gets adopted, I do not know how we are going to keep Amtrak operating next year. If this system shuts down, we will hurt 25 million passengers, people who rely on the Amtrak system to get to work, to get home, and almost 20,000 employees. Bankrupting Amtrak will be the wrong move for the people who depend on the rail system for their livelihood, for their mobility, and for their quality of life.

I am also really disappointed this budget includes language allowing for drilling in the Arctic National Wildlife Refuge. This improper use of the Senate's budget authority circumvents the appropriate avenue for addressing such a critically important and sensitive question.

Drilling in the Arctic is controversial and should be debated in the context of an energy bill. It has no place in this budget resolution, especially as the overinflated revenues are based on unrealistic expectations of oil and gas recovery.

I agree we have to work to achieve energy independence. But the fact is, energy independence can be achieved by tightening fuel economy standards for passenger cars, especially light trucks and sport utility vehicles, and

the greater use of renewable energy sources and further focus on energy efficiency will do more to lessen reliance on foreign oil than drilling the Arctic National Wildlife Refuge. Although we were not able to remove this unnecessary provision in the markup, I know an amendment is going to be offered, and I hope we can remove it on the floor.

Before I close, I do want to mention that this budget does not do enough to support our Nation's farmers. When Congress passed the 2002 farm bill, it was hailed as providing new economic development opportunities for rural areas and for ensuring that farmers have a safety net to get them through the hard times. This budget will unravel that safety net by asking farmers, rural communities, and the poor to foot the bill for the support and opportunity that it is our responsibility to provide. In my State alone, with farmers from Washington State reeling from years of low prices and natural disasters and closed foreign markets, this is the time we should be providing a leg up, not cutting back on research and investment.

These are just a few examples of where this budget shortchanges ordinary Americans and does not put America first. I have other concerns with this budget and I will address them throughout the process, but tonight I wanted to register my deep concern that the priorities in this budget proposal are out of line with the challenges we face in this country in these difficult times. The sense of community that makes our Nation great, the feeling that we are all in this together is what got my family through its toughest times. It is what our country needs now more than ever. I believe that should be reflected in our Federal budget.

I believe we can do better, and I will work with my colleagues throughout this process on amendments to help develop a responsible budget that meets our country's needs and really reflects our true values.

I yield the floor.

The PRESIDING OFFICER. The Senator from Illinois.

Mr. DURBIN. Mr. President, I seek recognition on the time allocated to the Democratic side and Senator CONRAD on the budget resolution.

The PRESIDING OFFICER. The Senator is recognized.

Mr. DURBIN. I thank my colleague from the State of Washington who has spelled out with some detail what is included in this budget document. It is hard to believe the Senate budget resolution for the budget of the United States of America has been summarized for our consideration on the floor into 65 pages: 65 pages for a budget in excess of \$2 trillion. This, of course, is a budget resolution which just describes things in the most general terms. You have to really dig into this and you have to understand some of the subtleties of this resolution to un-

derstand its importance. This really will chart the path for spending by our Federal Government for the next fiscal year, beginning in October. It is a critically important document because this budget defines our priorities and tells us what we can expect in terms of our Nation's spending.

Like the President's budget, this budget from the Republican-controlled Senate Budget Committee will make deficits and the debt worse and not better. Like the President's budget, this budget is dealing in fantasy not in fact. It does not include a penny, not 1 cent to implement President Bush's privatization of Social Security. I do not believe that is a concession by the Republicans that this unpopular idea is dead. But it is an admission by the Republicans, who put this together, that they cannot pay for the President's privatization plan on Social Security. The President cannot explain how he will pay for it. When the Senate Republicans were given that responsibility, they could not either.

So here we have a plan that the President says is his acceptance of responsibility of leadership to privatize Social Security, and yet neither the President nor the Senate Republicans on the Budget Committee can tell us how they will pay for taking trillions of dollars out of the Social Security trust fund and gambling them in the stock market in the hope that those who invest would make more money than they would lose. It is a big gap in this budget. There is not a penny in here to pay for privatization of Social Security.

Let me tell you that it also fails to pay for the full cost of the war in Iraq after 2006. I have not heard any person in this administration even suggest the possibility that all of the American troops will be home by October 1 of this year. I don't believe that will happen. I don't think Iraq is safe enough for our troops to come home.

Recently, we were told by Secretary Rumsfeld that we had 157,000 soldiers in Iraq. It is likely we will have that number, or perhaps slightly less, in Iraq next year. We are spending billions of dollars to support our troops. As far as I am concerned, I will spend and vote for every penny those soldiers need to be safe, to perform their mission, to come home proud with their mission accomplished, but it is going to cost money. We should be honest about it.

How can this President as Commander in Chief offer his budget and how can the Senate Republicans in the Budget Committee offer us a budget for the United States of America for the next fiscal year and not include one penny for the cost of the war in Iraq after 2006? This isn't going to be done for nothing; it will cost us billions of dollars. Their failure to include the full cost of that war after 2006 in the budget resolution tells us they are not prepared to accept the reality and responsibility of leadership.

The President will not tell us how to pay for privatization of Social Security and doesn't include it in his budget. He doesn't tell us how he will pay for the war in Iraq and doesn't include it in his budget. When it comes to this Senate Budget Committee, again we find that it doesn't include the full cost of the war in Iraq after 2006.

There are other things that challenge us, too.

The Tax Code needs to be reformed. I have said half in jest but more seriously as I think about it that the most important thing we can do to simplify the Tax Code is to require that every Member of Congress, every Member of the House and every Member of the Senate, fill out and complete their own Federal income tax returns. We will simplify the Tax Code in a hurry if we can't send that material to the bookkeepers and accountants.

But one of the things that haunts us is the alternative minimum tax. This was the tax that really came out of the revelation 20 or 30 years ago that there were certain Americans who were very successful, making a lot of money, and not paying a penny in taxes. So we created something called the alternative minimum tax which says that even if your bookkeeper has found every way for you to escape paying Federal taxes, in the end you are still going to pay a minimum tax. You can't get off the hook. You are lucky, buddy. You live in America, you made a bundle, and be prepared to pay a little back to this country to defend us, to defend our freedom, and give us a chance to live another year successfully. That was the alternative minimum tax. I believe it is pretty sound principle.

What has happened over the years when we didn't change the formula is that inflation started moving the dollar amount of people who were going to be bound to pay this tax to higher levels, and then we find that some middle-income families are now going to be trapped with the alternative minimum tax. Everyone I have spoken to on both sides of the aisle says this is an outrage, this is unjust, and we need to make sure working middle-income families don't pay the alternative minimum tax. This budget offered by the Senate Republican Budget Committee does not fix the alternative minimum tax, which will affect more and more middle-class Americans next year.

It doesn't include the pay-go rule. For those who follow the arcane language of budget debates in Washington, the pay-go rule is basically this: If you want to cut taxes or increase spending on certain programs, you have to pay for them. It is simple. You can't borrow the money; you can't anticipate debt; you have to pay for it. You want to cut a tax today, what other tax will you increase? What spending will you decrease? That is the pay-as-you-go formula. This approach given to us by many people who described themselves as fiscal conservatives doesn't have pay-go rules that require that new tax

cuts be paid for. In a moment, I will tell you what it does say about tax cuts. It is a harrowing possibility for future generations: more debt, debt that, unfortunately, will burden them and their children for years to come. It contains the wrong priorities.

The budget we have before us calls for big cuts in domestic spending on Medicaid, education, veterans, and transportation, even as it provides new tax cuts financed by more borrowing from foreign countries. The deficit under this approach is at record levels already. This budget would increase by an additional \$130 billion over the next 5 years.

Despite that, we have been told by the President and others to cut the Federal deficit in half. When you look at all the elements they leave out of here—the cost of the tax cuts, the cost of the war after 2006, the cost of privatizing Social Security—it is clear that this is a fantasy budget. This is a phony budget. It doesn't deal with the real costs of government which the President knows if his policies go forward are going to be faced by many others in the future. If you factor in the things the budget leaves out, this budget will create a record deficit of \$570 billion in 2010.

I wanted to start this debate by showing this chart, which is nothing short of amazing.

I was elected to Congress in the Reagan administration when we were experiencing the largest deficits to that point in the history of the Federal Government. We didn't think we would ever find a day when we would escape those deficits, but yet it happened. At the close of the Clinton administration, we generated, for the first time in 30 years, if I am not mistaken, some \$236 billion in surplus. We had cut spending, we had increased revenue, and we had the economy moving forward at a pace people just couldn't imagine. We generated a surplus.

What does a surplus in the Federal budget mean? It means we are being fiscally responsible, which happened under the Clinton administration, but it also means less money was being taken out of the Social Security trust fund to fund the Nation's debt.

Look what happens. Just as the Clinton administration ends and the Bush years begin, this sea of red ink hits our Nation—the Bush administration deficits. Then take a look at what the real deficits will be if the President continues on his path—a path calling for more tax cuts, a path calling for more costs when it comes to Social Security, the deficit we have talked about, a path that drives us to the point where we would be some \$621 billion in debt by the year 2015. What a dramatic change in a short period of time—from the departure of President Clinton until 2015—brought on by President Bush's budget policies, policies endorsed by the Republican side of the aisle.

The biggest cost, of course, left out of the President's budget is Social Se-

curity reform. It will cost \$754 billion over 10 years for the President's plan to privatize Social Security, growing to \$4.9 trillion over 20 years. With this program left out, the budget does not accurately reflect our true fiscal situation. Including the \$754 billion cost, the President's Social Security reform makes a bad deficit situation even worse with absolutely no end in sight.

Despite the exploding deficit, this budget goes along with the President and calls for \$70 billion in new tax cuts. It does this even as it cuts spending on education, health care, and other areas of great American need, cuts them to the bone. The President's tax cuts, which have given much larger benefits to the wealthy than to the middle class, have been the single largest factor in creating the deficits that I have indicated to you today, according to the Center on Budget and Policy Priorities.

This budget brought to us by the Senate Republicans gives us more of the same. Among the new tax cuts are dividend and capital gains cuts that go overwhelmingly to wealthy taxpayers.

My next chart illustrates that fact. Take a look at dividends and capital gains tax cuts being suggested and proposed in the Senate budget resolution. Who benefits from these massive tax cuts? It turns out if you make less than \$50,000 a year, on average you will benefit to the tune of \$6. If you earn between \$50,000 and \$200,000, your tax cut is worth \$112; \$200,000 to \$1 million income a year, your tax cut is \$1,480. But if you are in the big leagues, making more than \$1 million a year, President Bush's proposed tax cut, to make it permanent, that is endorsed by the Senate budget resolution, means for those making over \$1 million a year, you will get an additional tax cut of \$35,491 on average. The source of this is the Brookings Tax Policy Center.

Think about that for a moment. Do we believe it is in the best interests of America to drive us deep into deficit, deep into debt, in order to give tax cuts of this magnitude to the wealthiest people in America to the tune of \$35,000? Someone making \$1 million a year will not even notice this, but \$35,000 to someone in middle-income categories would be dramatic.

Yet this Senate budget resolution proposed by the Republicans suggests we go deep into debt to give a \$35,000 tax cut to someone making over \$1 million a year.

The budgets will give more of the same. The average millionaire's tax cuts will be that dramatic and middle-income Americans will get very little. To put things in perspective, millionaires will receive \$32 billion in tax cuts under the President's budget.

Let me compare that \$32 billion figure with another figure. The tax cuts for people making over \$1 million a year in income, coming to us from the President, coming to us from the Senate Republicans, will cost \$32 billion. That is in 2006 alone, \$32 billion out of our Treasury to give tax cuts.

What would it take for the President to restore spending on 48 education programs that were eliminated this year? The amount is \$4.8 billion. How in the world can we live in a country where the leadership believes that funding education is less important than giving tax cuts to people making over \$1 million a year?

Some people hear a Democrat talk about tax cuts for millionaires, and they say, There they go again. That is what I expect to hear from Democrats. This is not a change. But the numbers I have given today are facts in this 65-page document: \$32 billion in tax cuts while the President eliminates \$4.8 billion in education programs.

Could we maybe say to the millionaires, we will only give you half as much as you expect, maybe only give you \$18,000 a year in tax breaks, capital gains, and dividends, and take the \$16 billion and move it over here to fund our education programs? Is that an outrageous idea? Is that something hard for America to understand or accept? I don't think so. Restoring the cuts in 48 education programs, including vocational education, would take \$4.8 billion.

These huge deficits, of course, are also going to lead to a record level of debt. We will be spending more and more money to pay interest on that debt. In 2006, we asked America's taxpayers to give us \$270 billion of their hard-earned money to pay interest on our national debt. We pay more each year in interest on our debt than we spend on veterans, on education, or on the environment. Yet these programs face deep cuts under this budget and the debt grows and grows.

Our huge deficit also makes us dependent on borrowing from foreign countries. The vast majority of America's debt is being bought overseas, primarily by Japan and China. We ought to think about this and we ought to think about it long and hard.

Let me show an example of that. This chart shows the top 10 countries holding our national debt in the world. No. 1 is Japan. No. 2 is China. No. 3 is the United Kingdom. Next is Caribbean banking centers, South Korea, OPEC, Taiwan, Germany, Hong Kong, and Switzerland. To try to explain this in the simplest terms, if we are going to overspend in America, we have to borrow money to do it. When we ask the American people to buy our debts—U.S. Treasuries, for example—they come up with a certain amount of money. But then we find out it is not enough. We are so deeply in debt, we need to borrow so much money, we have to go out of America and see if other countries will buy our debt. So these countries become America's mortgageholders. These countries are holding our Nation's mortgage. No. 1 on the list, Japan; No. 2, China.

Why do they buy American debt? Because they believe it is profitable and sound. Profitable because we pay interest on that debt, naturally. Sound, be-

cause the American economy is the strongest in the world and has been for a long period of time. From their point of view, from Japan's and China's point of view, it makes sense to hold America's debt. It pays good interest and it is from a sound debtor.

But we started noticing some changes recently. Two or 3 weeks ago, South Korea—you may remember them as one of our close allies that we went to war to protect in the 1950s from the encroachment of communism—South Korea, a \$69 billion creditor of the United States, a couple weeks ago said, maybe the American economy is not as sound as we thought it was. If they continue to go deeply in debt, if they continue in America to produce budget documents that are a fantasy and do not tell the real story, then maybe this American economy is not as reliable and sound as we once thought it was. That mere suggestion by the South Koreans sent this ripple of anxiety and fear around the world. We saw it automatically in the money markets and in trading around the world.

My fear and the fear of many is the time will come when some of these countries will decide that America's currency is not as safe and strong as they would like to see it so they may say, instead of holding dollars, we trust Euros. We think the European economies are more fiscally responsible. If that decision is made, the only way we can keep our mortgageholders happy is to raise interest rates—the profitability of their holding our debt. As we raise interest rates to keep them interested in financing our debt, the pressure is on to raise interest rates for the American economy. And as we do, the cost of owning a home, a car, making any major purchase, or financing a business goes up, as well.

It is not a coincidence—in fact, it is closely parallel—that many of these countries that are our major creditors and mortgageholders are also causing great damage to America's economy. We know what China is doing to America today. Our balance of trade with China says it all. We find ourselves importing more and more Chinese goods into the United States. We find American factories and manufacturing jobs disappearing, particularly over the last 4 years where we have seen this exodus of good-paying manufacturing jobs from the United States to many other countries, but largely to China. We find ourselves more and more dependent on China for cheap imports to sustain our way of life.

What company in America is the largest importer of Chinese goods in our country? Wal-Mart. So if you go to Wal-Mart and you think, boy, they are trimming those prices down, take a look where the products are made. They are made in China instead of the United States. Fewer people in the United States have good-paying jobs. We are getting the cheap goods in from China, but we are paying for it in terms of the strength of our economy.

So not only are these countries—Japan and China in particular, and South Korea and Taiwan and others—in the Asian rim finding themselves as our mortgageholders, but they are also finding themselves taking away jobs from America, taking away jobs we desperately need.

So this administration, the Bush administration, with the cooperation and enthusiastic support of the Republican side of the aisle, believes that more and more debt in America should not be feared, that we should go more deeply in debt than ever in our history, we should pile on that debt with tax cuts for the wealthiest people in America, we should drive this debt to meteoric levels by privatizing Social Security, and not paying for it, and we should do a little sleight of hand in accounting where we do not even include the full cost of the Iraq war after 2006 in our budget.

How can this be coming from an administration that prides itself on being fiscally conservative? This is fiscally irresponsible. We are mortgaging America's future and the future of our children to these countries that hold our national debt. We are giving them more power over our future and our economy than we should. And we are paying dearly for it.

Our huge debt makes us dependent on these countries. We should be cautious about a budget that relies on borrowing more and more and more from foreign countries and assumes they are always going to be willing to continue to buy large amounts of our debts.

In 2001, as I mentioned earlier, before President Bush came to office, we had budget surpluses. We were on track to pay off almost all of the national debt by 2008. Now it is forecast that we will have a \$5.9 trillion debt by 2008. Paygo, as I mentioned earlier, is a rule that requires new tax cuts be paid for. There will be an amendment on the budget resolution offered. I don't think it is out of the question to say that if you want to increase mandatory spending programs, or if you want to cut taxes, find a source to pay for them, either another tax or spending cuts. That used to be a basic conservative credo on Capitol Hill. Now it has been ignored. The question is whether, given that chance by Senator FEINGOLD and his amendment, Democrats and Republicans will vote for fiscal sanity and fiscal responsibility.

Let me talk about the priorities in this budget that are simply wrong. This budget cuts many programs to the bone even as it is giving these massive tax cuts to wealthy Americans. The budget cuts Medicaid by about \$14 or \$15 billion.

Now, the budget is interesting because I looked to see—I used to sit on the House and Senate Budget Committees—how they did it. Well, they did it with an interesting approach. They called for the cuts in Medicaid at the same time as they added these caveats, these warnings, that any cuts in Medicaid should not “undermine the role

the Medicaid program plays as a critical component of the health care system of the United States; cap Federal Medicaid spending, or otherwise shift Medicaid cost burdens to State or local governments . . . ; or undermine the Federal guarantee of health insurance coverage Medicaid provides. . . .”

How can you do both? How can you dramatically cut Medicaid spending and still do these things? I think this is a figleaf. I think members of the Senate Budget Committee know better.

Let me tell you a word or two about Medicaid. It is the largest insurer in my home State of Illinois, covering more than 2 million people out of the 12.5 million whom I represent. The program covers 40 percent of all children born in Illinois and provides health insurance to 30 percent of the kids as they are growing up in my State. It pays for 65 percent of nursing home residents in Illinois. Nationally I think the average is 70 percent.

As more and more people lost their health insurance and struggled with our economy over the last few years, losing good-paying jobs, losing health insurance coverage on the job, we saw the number of people covered by Medicaid increase. Illinois expanded Medicaid coverage in the last 2 years to 130,000 children and 135,000 parents. That expanded coverage is at risk due to the cuts in this budget.

Senator BINGAMAN and Senator SMITH will offer a bipartisan amendment to remove these cuts from the budget, and I hope we will support that amendment. How can we be in a position where we are absolutely derelict in our duty and responsibility to do something about the cost and accessibility and affordability of health care in America and then turn around and say we are going to absolutely gut the safety net? Medicaid is the safety net. Medicaid says if you are working a job and not receiving health insurance, and you reach a point in desperation where you need health care, if your income is low enough, Medicaid will pay for your medical bills.

It is not going to be luxurious care. There is not much of that left in this country under Medicaid, even though some of the critics say there might be. I have not seen evidence of that. Most of the Medicaid providers I talk to, the doctors and hospitals, argue we do not pay them enough. So if we are not going to create a real safety net of health care for America, how can we chop up the existing safety net of Medicaid, as this budget proposes to do?

And let me make one aside here, my own personal point of view. This President is out doing 60 cities in 60 days to talk about the threat of Social Security being out of balance in 40 or 50 years. He looks down the track and sees, 50 years from now, that tiny light of a train coming and says: We better do something today to deal with the challenge of Social Security 50 years from now.

I am not opposed to that. But the President is now barnstorming the

United States talking about that problem 40 or 50 years away, and while he is talking about that problem down the tracks, a locomotive is coming right behind us called the cost of health care in America. It has on that locomotive Medicaid, Medicare, and the cost of health insurance, and the President is not saying a word. The Republican leadership in Congress is not saying a word, save for this budget resolution which says we are going to reduce the protection and coverage of Medicaid, protection and coverage essential to people in the last years of their lives in a nursing home, people in the first moments of their lives who are covered as children and infants.

Let me talk about education. What a time in the history of America to cut education. That is what the Senate Republican Budget Committee does, cutting it by \$34 billion. Mr. President, 3.2 million children in Illinois are in primary education and depend on Federal funding. And 5,200 children would be unable to attend Head Start. Have you ever been to a Head Start program? Have you seen what they do there? Children come in from some of the poorest families in the neighborhood, kids whose parents probably did not have a good experience in school, and they bring these kids in to learn how to get along well with other kids and to give them a running start at being successful when they enter kindergarten.

Is there a better concept than that, preschool education for kids so they have a chance to succeed? Well, this budget obviously decides we cannot spend as much as we should on Head Start.

Illinois will lose \$500 million for elementary and secondary education under this bill. Mr. President, 5,200 children in my State would be unable to attend Head Start programs due to the cuts.

The State would also lose \$335 million for special education and \$160 million for school improvement programs. This budget also cuts funding for vocational and technical education. Illinois receives \$50 million a year for that. It serves 350,000 students who are not college bound, but students who want to be trained with vocational training and similar technical education training so they can make a living and contribute to this country. This budget cuts it.

Three out of every five high school students in Illinois are enrolled in these programs. Senator BINGAMAN has offered an amendment to restore \$4.8 million. It is my understanding it was already voted on and failed, which is a sad commentary that we have decided we cannot afford to put money into vocational and technical education. There are billions of dollars for tax cuts for people making over \$1 million a year, but we cannot find \$4.8 billion in Senator BINGAMAN's amendment for education. What a priority, that the wealthiest among us will receive about \$3,000 more in tax cuts every month

while we tell the kids in vocational schools and getting technical education we cannot afford their teachers and their classrooms.

Law enforcement also faces terrible cuts, cuts of \$2 billion, including a \$500 million cut in the COPS Program. I know President Bush and the Republicans in Congress loathe President Clinton's COPS Program. They hate it that a Democratic President would come up with a program to make America's communities safer that was so wildly popular. They have been determined since they arrived in town to kill this program. Well, my congratulations to the Senate Republican Budget Committee. You almost have the job done with this budget. Cutting this money for the COPS Program is sadly going to jeopardize the men and women in uniform who put the badges on every morning and risk their lives so our communities are safer. They are out there fighting crime, violence, drugs, gangs, and this budget says we don't need them; we don't need to continue this program.

I think they are wrong. Since 1994, Illinois has received more than \$400 million for the COPS Program. We have added 6,000 new police officers in our State, in 680 different local law enforcement agencies. Illinois is safer and America is safer because of the COPS Program. But because it has Bill Clinton's name associated with it, the Republican Budget Committee has to do away with it. So tax cuts for the wealthiest in America, averaging \$3,000 a month for those making over \$1 million a year, but we cannot afford the cops on the street to make it safe for our kids to walk home from school or our parents to go out for a stroll in the park in the evening. Is that an upside down priority?

Let me talk for a moment about transportation and Amtrak. The budget cuts transportation by \$16 billion, and it eliminates funding for Amtrak. I cannot think of a worse idea at this time. To eliminate national passenger rail service means the following: more cars on the road and highways, causing congestion; more pollution for our air, making it even worse for those suffering from pulmonary disease and asthma and other problems; and with more gas being burned in these cars, more dependence upon foreign oil. This is absolute lunacy that we are walking away from national passenger rail service when we know it means more traffic congestion, more pollution, and more dependence on foreign oil.

That is a priority the Bush administration echoed in the Republican budget. There will be an amendment offered to restore the cuts in Amtrak. I hope it succeeds. We can do better than this budget. It doesn't reflect the real state of our deficit and it doesn't reflect the real values of America. It has the wrong priorities. It cuts things that are essential, such as health care and education and transportation. For what? To give more new tax cuts to the wealthiest people in this country.

I am not sure President Bush thinks that was his Ohio mandate to go forward with these tax cuts. But I wish he could have been at Walter Reed Hospital today. I went to see soldiers who were injured overseas and going through recuperation. I went to one of their physical therapy rooms to watch them be fitted for their new legs and new arms, trying to make their lives again a reality. They are proud of this country and I am, too.

I would be prouder if we were more honest in our budget. But we are not. We don't even include the full cost of the war they fought in this budget. We act as though it doesn't exist after 2006. Well, it does exist. The soldiers who served our country exist. We need to make certain that when it comes to veterans health care, to the basics they need to start their families and get good jobs and restore their lives, we will stand behind them. This budget walks away from them. I hope the Senate will think twice about passing this document. I think we need a new set of priorities, reflecting the real values of America.

I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. DURBIN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. CONRAD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. VITTER). Without objection, it is so ordered.

Mr. CONRAD. Mr. President, I remember sitting in that chair presiding late in the evening when I was first elected. You get lots of opportunities to sit in that chair and preside. When it draws toward the hour of 8 o'clock and 9 o'clock and 10 o'clock, I know the days can get very long, especially when you are sitting in that chair. I think the Chair understands the process here. We have time, and the time is going to be wasted unless it is used. So we intend to use the time. I hope it is more interesting to the Chair to at least have somebody talking than to sit by his lonesome.

The Comptroller General warned us earlier this year that the fiscal outlook is worse than claimed. He said in a speech to the National Press Club:

The simple truth is that our Nation's financial condition is much worse than advertised.

The Comptroller General has it exactly right. The Comptroller General of the United States is head of the Government Accountability Office. He is responsible to Congress to tell us about the fiscal condition of the country.

He is warning us that our current budget course is unsustainable. That is a word he uses over and over, "unsustainable." Chairman Greenspan, the Chairman of the Federal Reserve,

has used that same word, "unsustainable." It is a word I have used many times to my colleagues that the current budget course is unsustainable. We are running record deficits now. The President says cut revenues some more, add more to spending, and on top of it, we have the baby boomers about to retire. None of this adds up, and the President's budget does not add up. The President has left things out in an attempt to make the numbers look better. One of the things he has left out is any war cost past September 30 of this year. We have \$82 billion that the President asked for in a special addition to the budget, called a supplemental, for this year. But past September 30 of this year, he has asked for no additional money, although the Congressional Budget Office tells us that over \$380 billion is going to be necessary.

It is not just with respect to the war the President has not given us the full story in his budget. He also has not shown us the full cost of his tax cut proposal. This dotted line shows the end of the 5-year budget window. Look what happens to the President's tax proposal right after the 5 years of the budget window. The cost absolutely explodes. None of that is revealed by the President's budget.

In addition to the war costs and his tax cuts, he has also not shared with the American people the cost of fixing the alternative minimum tax, the old millionaire's tax that is rapidly becoming a middle-class tax trap. Why do I say that? Because now 3 million people are being caught in the alternative minimum tax. In 10 years, they tell us 40 million people will be caught up in the alternative minimum tax. It is going to be a big surprise to a lot of people. They thought they were getting tax cuts from this administration, but they are going to get tax increases from this administration. Many of them will not get it this year, but more of them will, and more next year, and more the year thereafter. Millions more will be caught up in the alternative minimum tax. It costs \$774 billion to fix. The President's budget has nothing, zero, in the budget to cover that cost.

Over and over, what the President has done is just leave things out of his budget to claim he is making progress on reducing the deficit.

Earlier Senator BENNETT was on the floor talking about how well the economy is doing. In some measures, it is doing well, but in many others, the economy of our country is being pumped up by writing hot checks. I remember Senator Bumpers so well during the Reagan era when we had a similar pattern of borrow and spend. He said: Anybody can pump up the economy by writing billions of dollars of hot checks. That is what this administration has done, hundreds of billions of dollars of hot checks, and not just over a 5-year period but every year, every year hundreds of billions of dollars of deficit financing.

When the President came into office, he inherited a surplus. He inherited a substantial surplus, \$236 billion. He told us if we adopted his plan, there would not be deficits. He was wrong because the deficits have absolutely exploded. And so has the debt. It is not just the deficits. Our friends on the other side of the aisle just want to talk about deficits, but the debt of the country is the real concern.

You will remember the President told us in 2001 that he had a plan that would give us maximum paydown of the debt. He was going to eliminate as much of the debt as could be eliminated. Now we see the reality of the President's plan. Instead of debt being paid down, the debt has skyrocketed. It was \$3.3 trillion in 2001. We now project it will be \$9.4 trillion in 2015. This debt is going straight up. That is the publicly held debt. The gross debt is even worse. The gross debt was \$5.8 trillion in 2001. We now project that it will hit \$15.8 trillion in 2015 if the President's policies are adopted.

This truly is a policy of deficits and debt, and it is also a policy of, in some ways, decline because while we are running these massive deficits and dramatic increases in debt, the value of our currency is in sharp decline.

One of the key reasons for that is the massive trade deficits. At the same time we are running huge budget deficits under the President's policies, we are also running massive trade deficits, the biggest trade deficits ever in our history.

The trade deficit last year was \$618 billion. Why does it matter? It matters because we have to fill in the gap somewhere. The way the President is filling in the gap is to borrow the money. He is borrowing it from all over the world.

In the last 3 years—and we only have numbers to 2004—this is what is happening to the foreign holding of our U.S. Treasury debt. Foreign holdings of our Treasury debt have gone up 92 percent in just the last 3 years. Some might say: So what. Everything seems to be going well. That just shows countries have confidence in us.

Does anyone really believe America is strengthened by borrowing more and more money from Japan and China and South Korea? Does anybody think that somehow strengthens America?

The harsh reality is that all this borrowing has led to this result: The dollar is in decline. Against the Euro, it has already gone down 33 percent since 2002. As we borrow more, people are having less faith and confidence in the value of the U.S. dollar, and the dollar has declined quite dramatically. It is not just the Euro, it is against other currencies as well.

Senator BENNETT, I am sure, talked about how jobs are now being created. That is true, and that is good news, and all of us are happy for that for the country. But the hard reality is there is an enormous gap between what is happening in this recovery and what has happened in previous recoveries.

This dotted red line shows job recovery in the nine recessions since World War II before this one. One can see at this stage of the recovery—and this is the number of months after the business cycle peak—when we get out to this stage of the recovery, generally job recovery is improving very markedly and very dramatically. But look at the gap between this recovery and the average of the job recovery in the nine previous recessions since World War II. There is an enormous gap. In fact, the gap in jobs is 6.2 million private sector jobs short of the typical recovery. Something is wrong here. Something very different is occurring between this recovery and other recoveries.

One of the questions we ought to be asking is why? Why is this recovery so weak compared to all the other recoveries since World War II? One of the things we see in addition to that is real weekly earnings during the tenure of President Bush are up only \$5.32—and that is a week. Real weekly earnings in January of 2001 averaged \$523 a week in this country. You see, this goes back to 1996, and we saw a very healthy run up from \$485 to \$523 from 1996 to 2001.

So that was an increase of \$38 a week. In this 4-year period, 2001 to 2005, weekly earnings are only up \$5—again an indication that this recovery is weak in comparison to other recoveries. Here is more evidence that something is amiss in this recovery. Here is the share of population at work, and what we see is that it is near a 10-year low, with 62.3 percent of the population employed. We had been up at just about 64 percent, but in this period, with the recession, not surprisingly, the share of population at work was reduced, and still we are not seeing a strong recovery.

I am certain also that Senator BENNETT talked about what has happened with tax cuts and that tax cuts help fuel the recovery. There is no doubt that tax cuts help a weak economy. I myself proposed to our colleagues very substantial tax cuts in 2001, not as big a tax cut over an extended period as the President but actually bigger tax cuts in the short term than the President first proposed in order to give lift to the economy.

I think now our colleagues are basically rewriting history and saying that tax cuts increased revenue. That is not what the record shows. The record shows that tax cuts reduced revenue. Here is what has happened. This chart shows Federal revenues in trillions of dollars, and we can see at the time of the Reagan tax cuts we had a reduction in revenue. At the time of the Bush tax cuts, revenues declined 18 percent over a 3-year period. They did not go up; they went down. This is not a matter of ideology. It is not a matter of partisanship. It is a matter of fact. The fact is, revenue went down.

Looking at it in another way, this is the history of revenue going back to 1955 as a percentage of gross domestic product, and we can see that revenue had reached a peak of almost 21 per-

cent in 2000. This led President Bush to say we need to cut taxes. He was right. Taxes were very high historically at that point, but look at what has happened subsequently. Taxes last year were down to 16.3 percent of gross domestic product. That is the lowest since 1959.

So, again, when our friends say we get more revenue with tax cuts, no, no. We did not get more revenue. Revenue went down sharply. It did not go up. That is just a factual matter.

I remember very well, in 2001, the Congressional Budget Office came to us with—I call this the fan chart. The fan chart was designed to show us the range of possible outcomes of budget deficits going forward. The Congressional Budget Office gave this wide range of possible outcomes depending on various economic scenarios, and they chose this midrange of possible outcomes for the forecast. The administration adopted that same outlook, and they said on the basis of this analysis that we were going to have nearly \$6 trillion in surpluses over the next 10 years. Of course, this was back in 2001.

My Republican colleagues came to me when we were having these budget debates, and I said, please, do not bet on a 10-year forecast. Let us not be betting the farm on a 10-year forecast because it may not work out. Yes, let us have tax cuts, let us have money set aside to strengthen Social Security, but let us not bet the whole farm on these forecasts coming true.

Some of my best friends on the Republican side said: Kent, you are way too conservative. Do you not understand with these tax cuts, we will get a lot more revenue? Do you not understand the way it works? If we have these tax cuts, that will fuel the economy, and we will get much more revenue. We will be way above the midpoint of this range.

Well, let us go back and check what really happened. Here is what really happened. It is this red line. We were not at the midpoint. We were not at the bottom of the range of possible outcomes on the deficits; we were way below the bottom. So this theory that tax cuts are going to lead to more revenue did not work out. In the real world, it did not work out.

Here is what the Federal Reserve Chairman says. He rejects claims that tax cuts will pay for themselves. He said:

It is very rare and very few economists believe that you can cut taxes and you will get the same amount of revenues.

He has made other comments on the subject as well. He said last year, on September 8, in testimony before the House Budget Committee:

If you're going to lower taxes, you shouldn't be borrowing essentially the tax cut. And that over the long run is not a stable fiscal situation.

That is exactly what the budget before us asks us to do. It asks us to borrow more money to finance more tax cuts when the revenue is already the lowest it has been since 1959.

I have to say to my friends, at some point the stuff that is being proposed has to add up. If my colleagues do not want to finance the spending they are voting for, then vote to cut the spending to match the revenue they will support. If they do not intend to make those cuts in spending, then raise the revenue to meet the spending they insist on passing.

Over and over today, we heard our friends on the other side of the aisle say this budget is one that is fiscally responsible. I will soon have the chart that shows the year-by-year increases in the debt under this budget.

Over and over I heard today that this budget is going to cut the deficit in half. Well, that is a worthy goal—going to cut the deficit in half over the next 5 years. The problem with it is they have just left out all kinds of things we know we are going to spend money on. They left out the war costs past September 30. That is \$300 billion, according to CBO. They left out \$700 billion to fix the alternative minimum tax. They left out \$700 billion to fund the President's Social Security plan.

It does not stop there because, very interesting, if we go to their own budget document on page 5, here is what we find. This is their analysis of how much the debt is going to increase over the 5 years of their budget. Look at what it shows. These are not my numbers. This was not developed by our side of the aisle. This is our Republican colleagues' own budget document, and here is what they say: If we pass this budget, the debt is going to increase in 2005 by \$669 billion. Of course, that budget is already in play. Next year they say the debt will increase by \$636 billion; the next year they say the debt will increase by \$624 billion; the next year by \$622 billion; the next year by \$611 billion. How is the debt increase being cut in half? The deficit should be the amount by which the debt increases every year, right? Well, this is what they say the debt is going to increase by, and yet at the same time they are saying they are cutting the deficit in half.

How do these two things add up? The only way they add up is by just leaving things out. When you put them back in, what you see is the debt increasing each and every year by over \$600 billion, and all before the baby boomers retire.

What is going to happen then? Massive debt before the baby boomers retire, and then a doubling of people eligible for Medicare and Social Security. Then we have a train wreck.

The hard reality is, this budget does virtually nothing about the deficit situation facing the country. In fact, it only makes it worse. Under this budget before us, the deficit is increased by \$130 billion over and above what would happen if we did nothing. If we put the Government on autopilot and walked out of here today, the Congressional Budget Office says the deficit would be \$130 billion less than if we pass this

budget. Yet we heard all day how this is a fiscally disciplined budget.

I wish it were so, but it is not. We now face a circumstance in which the country is living beyond its means. We are running a trade deficit over \$600 billion, a deficit on an operating basis over \$600 billion, and we are borrowing the money and the President's answer is borrow some more money. Change Social Security, create private accounts, divert money out of Social Security, fill in the difference by borrowing trillions of dollars more.

Tomorrow we are going to have a debate and a lengthy discussion on the question of Social Security and what the proper course is. I, for one, believe we do need to fix Social Security. We not only need to fix Social Security, we need to fix Medicare because the shortfall there is eight times the shortfall in Social Security. The President has no plan to address that shortfall.

In addition to that, we are running these record budget deficits and the President says make the tax cuts permanent, cut the revenue base some more, and spend more money.

This budget spends \$100 billion more than last year's budget. I said to my colleagues earlier today, this is almost surreal, talking about this budget, how disconnected it is from reality, how far afield it has become. To hear descriptions of this budget that suggest it is fiscally responsible kind of leaves me shaking my head.

Enormous risks are being run. The risks that are being run are that the folks who are loaning us the money decide they are not going to continue to do it. If that were to happen, the dollar would plummet further. I have already indicated it is off 33 percent against the Euro in just the last several years. But if those who are loaning us money—the Japanese, they have loaned us over \$700 billion; the Chinese, they have loaned us over \$200 billion; the South Koreans, they have loaned us almost \$70 billion—if they decided no longer to continue loaning us these amounts of money, what would we do? What would the options be that would be open to us? How would we pay our bills?

That is a question we ought to be thinking about very carefully. If those who are loaning us these vast amounts of money decided that they were running too great a risk, if they decided they were tired of losing the value of their investments because the value of the dollar is constantly eroding, what would be the choices left to us? Very clearly we would have to dramatically raise interest rates. That would have a very serious impact on our economy, very serious, because not only do we have government debt—Federal Government, State government, local government—corporations have debt and individuals have debt—they have mortgage debt, they have car loan debt, they have student loan debt. What would happen to all of that debt if all of a sudden interest rates had to rise

quickly and dramatically in order to get foreign capital back into the country to float this boat because of these massive budget deficits and trade deficits? What then? That is the risk that is being run. That is the risk that is being run with this reckless fiscal policy.

Our friends on the other side have described themselves as conservative. There is nothing conservative about the budget policy of this Government. This is a wildly reckless fiscal policy of record deficits, of record increases in debt with no end in sight, and this budget is more of the same. By its own terms, it says it is going to increase the debt every year of this budget by over \$600 billion a year. Debt on top of debt.

It is not too late. The time is still available to us to change course, to go to the American people and say: You know, we have to trim our sails. We are living beyond our means. We have to take steps to reduce this growth of deficits and debt. Yes, we need more revenue. Revenue is at the lowest it has been since 1959. That doesn't mean the first thing we do is raise taxes because could you get more revenue without a tax increase. You could get more revenue by collecting the taxes that are due now. The Internal Revenue Service tells us that the tax gap, the difference between what is owed and what is being paid, is over \$300 billion a year. That is money that is owed that is not being paid. Why should we increase taxes on anybody before we collect taxes from people that already owe it?

The vast majority of the American people pay what they owe. But we have a growing number of people and a growing number of companies that are not paying what they owe. The result is the burden gets shifted onto all the rest of us who do pay what we owe.

Part of the result is these massive budget deficits. Yes, we have to be tough on the spending side of the ledger as well, without question. We are going to have to be tough on the spending side. But our Republican friends never want to talk about the revenue side. They say deficits are simply a result of spending.

No, deficits are a result of the relationship between spending and revenue. What has happened is very clear. The facts demonstrate it conclusively. The revenue side of the equation has collapsed. Last year shows the lowest revenue as a percentage of gross domestic product since 1959, and spending has gone up.

I would be the first to say the administration has increased spending with complete bipartisan support. The increase in spending has been primarily in three areas: Defense, homeland security, rebuilding New York. Those are the areas where the spending has gone up. In fact, virtually all of the spending increases are in just those three areas. But that is the reality. Spending has gone up, revenue has gone down. We

couldn't pay our bills before, and we sure can't pay them now. The proposal is spend even more, have even less revenue.

The deficits get worse and they get worse at the worst possible time, right before the baby boomers retire. That puts enormous strain on the budget of our country.

What difference does it make? The difference it makes is somehow you have to pay these bills. If we are not going to cut the spending to match the revenue or raise the revenue to match the spending, then the only alternative is to continue to borrow, borrow, borrow. And increasingly, we are borrowing from countries all over the world. That makes us more vulnerable.

I have never heard of a country borrowing its way to power. I have never heard of a country strengthening itself by becoming more indebted to others. I have never heard of a country that built its power on being the biggest debtor nation in the world, which we have now become. We have gone in the last 30 years from being the biggest creditor nation in the world to being the biggest debtor nation.

You can do that for a while, just as a family can live beyond its means for a while. But at some point the bills come due. At some point you have to pay up.

The challenge for us is to get on a different course and a different trendline as quickly as we can. We have seen this country take on challenges such as this many times before and succeed. The strength of America is our resilience and our ability to change course to meet challenges. We did it in World War I, in World War II, and we did it in the Great Depression. We did it in the 1990s when we were faced with massive deficits as well and we were able to get back on a course that turned deficits into surplus. Now that course is reversed once again. Unfortunately, unlike the 1980s when we had more time to get well, this time there is very little time to get our financial house in order before the baby boomers start to retire.

Hopefully, tomorrow we will begin to agree to some amendments to this budget that will reduce the buildup of deficits and debt and begin to set us on a course toward fiscal responsibility. I hope that will happen. We will certainly have a vigorous debate and discussion and amendments tomorrow, and I look forward to it.

Mr. GREGG. Mr. President, the executive branch agencies have many programs to recognize performance and talent. In the legislative branch, we too often take personal effort and hard work for granted. Unfortunately, the Senate does not possess many ways to recognize excellence, and too often we recognize outstanding people only at their farewell parties when they leave to assume a high-level position downtown.

Today, I would like to take a little time off the debate clock to mention something that is not debatable. I

think this is simply stating something that all members, on both sides of the aisle, know only too well. I want to recognize three members of our Senate Budget committee staff who exemplify the highest standards of public service—Jim Hearn, Cheri Reidy, and Dave Pappone.

During the recent transition, I was very fortunate to have three of the very best in the Senate, and the U.S. Government, elect to stay with the committee. Jim, Cheri, and Dave Pappone are among the best I have seen. They serve as the institutional knowledge and conscience of the committee. I have benefited greatly from the advice and counsel of these professionals who have served the committee under former Chairmen PETE DOMENICI and Don Nickles. I am proud to say now they are part of my team. When I announced in November that I intended to assume the chairmanship of the Budget Committee, I began to sit through “budget school” tutorials with these three to go over the intricacies of the budget process and the Budget Act. Since then, they provide outstanding staff work and recommendations. The resolution before the Senate is here on time and out of committee in not small measure based on their hard work.

Jim Hearn joined the budget committee in 1995. He holds a Master of Public Policy degree with a concentration in Economics and Forecasting from the University of California at Berkeley. Jim served with the Congressional Budget Office, or CBO, from 1984 until 1995. He serves as our director for Federal Programs and Budget Process. He also is author of our committee’s Budget Bulletin, which distills and explains the latest budget developments on the Hill, and seeks to explain complex budgetary concepts. Jim is one of those people in Washington who fully understands the Budget Act and the budgetary process. The technical accuracy of the budget, and the drive to bring “good government solutions” to the budget process are Jim’s constant passion. He is respected by CBO, OMB, and budget experts everywhere—inside and outside Government. Countless Senate committees know they can count on Jim to give them an honest evaluation of budgetary proposals and scoring.

Cheri Reidy joined the Budget Committee in 1982. She holds a Master of Public Policy Analysis from the University of Rochester with an emphasis in statistical and economic analysis and program evaluation. Her undergraduate degree is in Psychology which, no doubt, serves her well in understanding the budget process. Cheri serves as our director for Revenues and Budget Review. Cheri understands all sides of the PAYGO ledger as well as anyone—she especially knows revenues and tax policy. I sometimes think she is the anchor, the core of our professional staff. She is tireless and remains cool under pressure. She spends time with our new committee staff teaching

them the ins and outs of budget review and the type of products required to be able to draft a chairman’s mark within several days of getting the CBO reestimate of the President’s Budget. Cheri is brilliant, a team player, and a pleasure to work with.

David Pappone joined the Budget Committee 3 years ago, when he started as the functional analyst for education and space/science. David holds a Master of Public Administration with a concentration in Budget and Public Finance from George Washington University. There was a television ad years ago for Digital Computers that said, “If you can make the numbers work—it’s the big time.” Well, Dave Pappone is a genius with spreadsheets and managing information from OMB, CBO, and a number of functional analysts on our staff. David makes the numbers work and produces a number of complex, funding tables and charts in a fashion that seems seamless and almost effortless. He is a one man CBO for our committee and gives us 110 percent day in and day out.

Mr. President, the Budget Committee has an extraordinary staff. On a daily basis I am impressed with their tireless energy, professionalism, and teamwork. At the core are Jim, Cheri, and Dave, and I just wanted to recognize them and say thanks.

Mr. President, today I want to also recognize the achievements of Don Dempsy of my staff, as he moves from the staff of the Budget Committee to serve as the legislative director for the Senator from North Carolina, Mr. BURR.

Don is one of those rare persons who combines unusual academic and intellectual achievements with a keen, practical, and effective role in public policy. Well educated as an economist, he has applied this expertise to health care policy and other public policy areas for over 10 years.

He began his work on the Hill in 1996 and his talents were quickly recognized by a number of Senators. He was promoted over the next few years to positions of increasing responsibility in the offices of the incomparable Senator Gramm and upon his retirement, in the office of Senator KYL.

His accomplishments and expertise with those Finance Committee members are well known. Early last year he joined the Budget Committee under the chairmanship of my predecessor Senator Nickles. We were fortunate enough to benefit from his understanding of the budget and two crucial entitlement programs, Medicaid and Medicare, as well as his intensive knowledge of the full range of health programs.

Don, characteristically, has put his work and his loyalty to the Senate first, and left our office Friday and begins work today with Senator BURR without a break. The Senate and the country thank him for his service.

I yield the floor, and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. STEVENS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STEVENS. Mr. President, I have come to the floor of the Senate tonight to sort of finish up the day, mainly because I am a westerner. I know that many people listen to the coverage of the Senate, but in the West it often happens that the speeches pertaining to the interests of the West come off in the middle of the day. And it is now 8:40 p.m. here. That means it is 5:40 on the west coast and 4:40 in Alaska, my home.

I feel the west coast has been misrepresented as far as the issues that pertain to the development of the Arctic Slope in my State. Gone are the days of the great supporters such as Warren Magnuson and Senator Jackson and Senator Hatfield from Oregon and Senator Hayakawa and others from California. We have almost unanimous opposition to the development of the Arctic Slope now from the west coast. Yet it was the west coast that got most of the oil that came from the development of Prudhoe Bay.

I have lived through this whole period and I want to talk a little bit about the history of it. But I hope people living on the west coast who listen to this and view this program will think a little bit about it and call their Senators and ask them, Why are they opposing the development of domestic oil? Why are they insisting on relying upon foreign sources of oil?

In recent months many have voiced concern about the emerging economic recovery, job creation, our national security, and increasing gasoline prices. In my view, we can only have a full debate on this budget resolution if we discuss what I believe is the source of many of these problems.

It has been 12 years since the United States adopted comprehensive energy legislation, adopted a bill to send to the President a new energy program. For more than a decade, our outdated policy has been a barrier to our economic growth and opportunity. It is like a cancer spreading to all corners of our country and all industries in our economy.

Without sound, balanced energy policy that reflects our current circumstances, Americans will continue to see the symptoms of this cancer in their daily lives: higher prices at the pump, the fear of whole cities held hostage by blackouts, and the whims of unstable governments and unfriendly regimes we rely upon for basic energy needs.

I hope later to address the sweeping impact of our Nation’s insufficient energy policy on all segments of our economy. But I want to begin tonight by putting these issues in historical

context and reviewing the history of what is called ANWR and the energy crisis of the 1970s.

In 1960, Secretary of the Interior Fred Seaton established the 8.9 million acre Arctic National Wildlife Range and stipulated the range was open for mineral leasing. As the only current Member who worked in the Eisenhower administration, and one who drafted portions of the order creating the Arctic National Wildlife Range, attempts to convince the Congress that the range was ever closed to oil and gas exploration is a mischaracterization of the intent of its creators, the history of the range, and the purpose of the coastal plain of ANWR itself.

Contrary to misinformation, neither the Arctic Wildlife Range nor the coastal plain of ANWR were "set aside specifically for preserving wildlife for future generations." That is a quote many people use. In fact, both the order creating the range and the Alaska National Interest Lands Conservation Act, which we call ANILCA, which created this area called ANWR, contain specific provisions permitting oil and gas exploration and development of our coastal plain.

The process which culminated in the creation of the range was designed to balance a myriad of interests. As the then-solicitor for the Interior Secretary Seaton, my office was responsible for processing the order which established the range. I personally, as an Alaskan, worked with conservationists, Alaska sportsmen, and industry to find the appropriate balance between conservation and development. In fact, Secretary Seaton himself stated that "Subsurface development will be undertaken in accordance with regulations that will protect and preserve the wildlife and the primitive character of the land."

The then-Under Secretary at the time, Elmer Bennett, assured our State:

This Department has every intention to foster legitimate oil and gas activity within this area if any potential is discovered.

Many have forgotten the lessons learned in the 1970s. Before the energy crisis, there were warning signs. In Congress, we held extensive hearings in 1972 on all aspects of energy supply, and we were warned over and over that unless we reevaluated our Nation's policy on energy consumption and development, the country would essentially be unable to meet its energy needs.

By increasing our dependence on foreign oil year after year and failing to increase domestic production, we left ourselves vulnerable to OPEC's decision on October 18, 1973, to impose the Arab oil embargo. OPEC's decision was a retaliatory act. It was retribution for our foreign policy during the October Middle East war.

The embargo lasted until March 1974, and as a Member of the Senate in 1973, I can tell you those were difficult times. The cost of foreign oil rose nearly 400 percent, and the impact on our

constituents was brutal. Our people waited in long lines at gas stations throughout our Nation, and the cost of gasoline prevented them from traveling by automobile as they had in the past.

The embargo decreased industrial productivity, increased unemployment, and accelerated inflation. Secretary of State Henry Kissinger estimated that the embargo of the 1970s cost us 500,000 jobs and more than \$10 billion in national production.

America's consumers paid the price for that crisis. The price of oil rose, but so did the price of coal, natural gas, electricity, and even firewood. My colleague at the time, Senator Henry Jackson from Washington, estimated every American paid almost \$500 more in 1974 for energy. Adjusted for inflation, that would be over \$1,000 apiece today.

I remember well President Nixon's words, when the oil embargo began, in a televised speech on November 7, 1973. He called on Congress to enact a major energy bill, something he had asked us to do repeatedly for 2 years. He told the country:

Our failure to act now on our long-term energy problems could seriously endanger the capacity of our farms and factories to employ Americans at recordbreaking rates . . . It could reduce the capacity of our farmers to provide the food we need. It could jeopardize the entire transportation system. It could seriously weaken the ability of America to continue to give the leadership which only we can provide to keep the peace that we have won at such great cost . . .

What strikes me as I read President Nixon's speech today is that President Bush could give the same speech now. We again need comprehensive energy legislation, and the stakes are still high.

In the wake of the 1970s energy crisis, Congress debated the Trans-Alaska Pipeline Authorization Act. During that debate, opposition came to the Senate floor and made dire predictions. They argued that construction of the pipeline would devastate Alaska's landscape and wildlife in the area.

For instance, Senator KENNEDY predicted:

Earthquakes [would] create oil spills which would wreak havoc with the Alaskan environment . . . The heat generated by the oil flow . . . would have a detrimental effect on Alaskan tundra and upset the whole ecology of the region . . . and the pipeline [would] become a barrier which would seriously interrupt the migratory patterns and normal movements of various species of wildlife.

And the friends of the Earth testified at a congressional hearing in 1969:

There is no technology that could restore the wilderness that the pipeline would destroy.

These dire predictions did not come to pass. The Alaskan pipeline withstood an earthquake of 7.9 magnitude on the Richter scale and not a drop of oil was spilled—not one drop during that earthquake. Similarly, our tundra has not been impacted by the flow of oil, nor has the migration of wildlife

been affected. In fact, the caribou population in the vicinity of the pipeline increased from 3,000 in the 1970s to 32,000 today.

Even former Congressman Mo Udall, who had argued on the floor of the House that the pipeline would damage Alaska's ecosystem acknowledged that he was wrong. He stated:

We've had 15 years or so with Prudhoe and we came out pretty good. . . . the people who talked about ecological disaster have been proven very wrong.

Environmental organizations agreed during debate on the pipeline that development of Alaska's resources is important. Stephen R. Seater of the Defenders of Wildlife testified:

Defenders of Wildlife does not oppose development of Alaskan North Slope oil and gas. The United States is suffering from a lack of fuel, and it has been said by many experts that by mid-summer we will be in a full-blown fuel crisis.

And Thomas B. Stoel of the Natural Resources Defense Council testified:

[T]he national security importance of Alaskan North Slope oil is that it will relieve the United States of the necessity to import an equal amount of foreign oil.

Despite differences over the possible routes for the transportation of Alaska's oil resources to the Lower 48, almost all Members of the Senate and House agreed that development of Alaskan oil was vitally important to both America's national security and the continued economic well being of the U.S.

I emphasize this: that is why the vote on passage of the Pipeline Act was allowed to proceed without the threat of filibuster. Not one Senator suggested filibustering the Alaskan Oil Pipeline Act.

The passage of the Pipeline Act was adopted by one vote when Vice President Agnew came to Congress and broke the tied vote. Congress directed the Secretary of the Interior to move immediately to authorize construction of the 798-mile pipeline connecting the North Slope with the port of Valdez to deliver oil to the Lower 48.

Four years later, the first tanker carrying North Slope crude oil left Valdez, Alaska. Over 14 billion barrels of oil have been transported through the pipeline since then. Today it provides nearly 20 percent of our domestic oil production, although the throughput of the pipeline has been reduced from a peak of 2.1 million barrels per day to about 750,000 barrels per day. That is why we must get into ANWR and that is why we must discover additional reserves.

At the time, construction of the Trans-Alaska Pipeline was the largest privately financed construction project ever attempted. It stands as a testament to American ingenuity and our ability to balance protection of the environment with production of our natural resources.

Alaska's vast resource potential was again raised in 1978 during debate on the Alaska National Interest Lands

Conservation Act. This act resulted in the creation of over 100 million acres of parks, wildlife refuges and national forests and tripled the amount of land designated as wilderness.

During this debate, the Alaska delegation asked for a stipulation to allow the coastal plain of ANWR to remain open for oil and gas exploration and development, as it was when the Arctic Range was created.

As in the pipeline debate, many Members raised concerns about the environmental impact such development would have on the region. However, even those Members acknowledged that oil and gas exploration and development would occur if necessary for our national security.

Even Congressman Udall stated:

[N]othing stops some future Congress from allowing the exploration for these uses if they are of sufficient national importance.

He went on to say that a:

sizable find in the Arctic Range [would be] economically feasible by the year 2000.

Thus, even a staunch environmentalist acknowledged that the coastal plain of ANWR would be developed in the future.

To ensure that the oil and gas rich coastal plain remained open for exploration and development, I worked closely with Senator Henry "Scoop" Jackson and Senator Paul Tsongas. They promised that oil and gas activity would take place in ANWR subject to an environmental impact statement.

In the spirit of compromise, Senators Jackson and Tsongas created Section 1002 of ANILCA, which set aside 1.5 million acres along the coastal plain of ANWR for oil and gas exploration and development.

But in the years that followed, the promise made by Senators Jackson and Tsongas has not been upheld. I have now fought for 24 years to see that promise fulfilled and to bring to the United States the energy resources it so desperately needs. I have been thwarted because this body no longer respects the promises made by its predecessors.

There is a new climate in Congress. With the retirement and passing of the old bull World War II types like myself, a Member's word doesn't carry the meaning it used to. Even President Jimmy Carter, who signed the 1980 act, has failed to honor the legislation he helped create. I recently received a letter from President Carter which said that "Congress may try to subvert parts of ANILCA" by utilizing the budget process.

Congress has not gone back on its commitments, nor is it taking a "back door approach" to legislating this important issue. Section 1002 specifically authorizes exploratory oil and gas activities on the coastal plain and mandates an environmental study. That environmental impact study was completed and submitted to Congress in 1987!

Section 1003 of the 1980 act states that no development in ANWR can

take place without Congressional authorization. We have tried for years to open ANWR pursuant to that section, and have been thwarted by the threat of a filibuster.

President Carter also stated that we are trying to "circumvent normal legislative procedures" by inserting ANWR into the budget process. I ask my colleagues, since when have filibusters become "normal legislative procedure?" Isn't the will of the people served by a simple majority vote? That is all we are asking for when we put this in the Budget Resolution, a simple majority vote, and not subjecting ANWR to a filibuster, which was unheard of in the 1970's in matters concerning national security, and the availability of this oil from our Arctic is surely a matter of national security.

This year is my 37th year in the Senate; I can remember a time when the filibuster was used sparingly, and I don't recall it ever being used when an issue of national security importance was before the Senate.

ANWR is a national security issue. When the Nation depends on 60 percent of our energy needs from unstable or unfriendly regimes, that involves a national security issue. When U.S. companies move their operations offshore because of high energy prices, this is a national security issue. When Americans can no longer afford to heat their homes, this is a national security issue. And when our military, which is the largest consumer of energy resources, is forced to rely on oil from the Middle East, this is a national security issue.

This Congress has failed to balance conservation with development and now we are—literally—paying the price.

We have not seized opportunities to increase domestic production of oil and natural gas. And, higher gasoline prices, dependence on foreign oil, and a fragile economy—issues that many Members have expressed concern about—are the signs that another energy crisis looms over us.

It is my hope that my colleagues will heed the lessons of history and act now. We cannot wait for another national crisis. The provisions in the budget resolution starting the process of approval of ANWR by majority vote must be supported.

Further, Congress must make good on its promise and open ANWR to exploration and development and begin the projects our country needs to meet our energy demands now.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. MARTINEZ). The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. STEVENS. Mr. President, I ask unanimous consent the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

#### MORNING BUSINESS

Mr. STEVENS. Mr. President, I ask unanimous consent there now be a period of morning business with Senators permitted to speak therein for up to 10 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

#### LOCAL LAW ENFORCEMENT ENHANCEMENT ACT OF 2005

Mr. SMITH. Mr. President, I rise today to speak about the need for hate crimes legislation. Each Congress, Senator KENNEDY and I introduce hate crimes legislation that would add new categories to current hate crimes law, sending a signal that violence of any kind is unacceptable in our society. Likewise, each Congress I have come to the floor to highlight a separate hate crime that has occurred in our country.

A 45-year-old transgender woman was found beaten to death by San Francisco authorities last August. The woman, Toni Green, was born a male but lived as a woman. Police investigating the case believe this may have been the motivation behind the attack.

I believe that the Governments first duty is to defend its citizens, to defend them against the harms that come out of hate. The Local Law Enforcement Enhancement Act is a symbol that can become substance. I believe that by passing this legislation and changing current law, we can change hearts and minds as well.

#### PUBLIC SAFETY EMPLOYER- EMPLOYEE COOPERATION ACT

Mr. KENNEDY. Mr. President, it is a privilege to join with Senator GREGG in championing this important legislation to give fire fighters, police officers, emergency medical personnel, and other first responders the basic right at long last to fair representation in the workplace.

Every year, tens of thousands of police officers and fire fighters are injured on the job. Even apart from the extraordinary tragedy of the loss of over 400 fire fighters and police officers on a single day on 9/11, hundreds of fire fighters and police officers lose their lives in the line of duty each year. This bill is a needed bipartisan effort to protect our Nation's public safety officers and the communities they serve. Providing such protections is the least we can do for them in light of the sacrifices they make every day for our country.

For more than 60 years, the Federal Government has recognized the right of employees to bargain collectively with their employers. It encourages labor and management to work together to improve wages and working conditions and increase productivity. Collective bargaining has led the way on many important changes in today's workplace, such as health and pension benefits, paid holidays and sick leave, and workplace safety. Our legislation will

ensure that first responders will also have this fundamental right.

Granting this right to first responders also benefits the public in essential ways. It creates safer working conditions for public safety employees and increases public safety. It saves money for states and local communities by providing more cost-efficient public safety services. And it gives a voice on the job to the courageous public servants who put their lives on the line each day to protect and serve us.

First responders are well aware what it takes to create safe working conditions, and they know what it takes to enhance public safety. This legislation gives first responders the opportunity to discuss on-the-job safety issues with management, and a meaningful role in establishing policies and practices to protect the public.

In addition to improving public safety, this bill will save money. Experience has shown that when first responders are able to discuss workplace conditions with management their departments can provide more cost-effective services. Extending collective bargaining rights to all public safety employees will encourage innovation, efficiency and partnership in public safety departments, and produce lower costs for the States and local communities they serve.

Our legislation accomplishes its goals in reasonable and moderate ways. Most states would not be affected, because their laws already permit collective bargaining between public safety employees and employers.

Under this bill, states that do not so may choose to establish their own collective bargaining system, or they may ask the assistance of the Federal Labor Relations Authority in establishing bargaining procedures and regulations. This approach respects existing state laws and gives each state the authority to decide how it will comply with this legislation.

The benefits of this bill are clear and compelling. Public safety workers are one of the largest sectors of the workplace that do not yet have the basic right to form a union and bargain with their employers over wages, hours, and working conditions. It is a matter of basic fairness to give these courageous men and women the same rights that have long benefited so many other Americans. They deserve a voice in the life and death discussions about their work. They have earned that right, and I urge Congress to act quickly to guarantee it.

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#### CELEBRATING NATIONAL SAFE PLACE WEEK

Mr. CRAIG. Mr. President, I am please to recognize the week of March 13 through 19, 2005, as National Safe Place Week. As my colleagues know, the Senate adopted a resolution last week providing for this designation. I thank my colleague, Senator FEINSTEIN, for her work on this issue, and I

also thank the other cosponsors of this resolution: Senator BOXER, Senator COCHRAN, Senator CRAPO, Senator DEWINE, Senator DODD, Senator DURBIN, Senator FEINGOLD, Senator HATCH, Senator INHOFE, Senator INOUE, Senator ISAKSON, Senator JOHNSON, Senator KOHL, Senator LANDRIEU, Senator LIEBERMAN, Senator LINCOLN, Senator LUGAR, Senator MIKULSKI, and Senator MURKOWSKI. The Senate's action recognizes the importance of Project Safe Place and sends a message that we will keep working to protect our children. In countless ours of selfless work, volunteers truly do make a difference every day, and in passing this resolution, the Senate applauds the tireless efforts of the thousands of dedicated volunteers across the nation for their many contributions to the youth of our Nation through Project Safe Place.

Events of the day may turn our attention overseas, but it is essential to remember those who are fighting an ongoing battle right here at home to protect this Nation's most valuable resource: our children. Young people are the future of this Nation; they need to be both valued and protected. Sadly, however, as my colleagues know, this precious resource is threatened daily.

There is a tremendous initiative between the public and private sector that has been reaching out to youth for over 20 years. Project Safe Place is a program that was developed to assist our Nation's youth and families in crisis. This partnership creates a network of private businesses trained to refer youth in need to the local service providers who can help them. Those businesses display a Safe Place sign so that young people can easily recognize a "safe place" for them to go to receive help.

The goal of National Safe Place Week is to recognize the thousands of individuals who work to make Project Safe Place a reality. From trained volunteers to seasoned professionals, these dedicated individuals are working together with the resources in their local communities and through their ties across the Nation to serve young people. Because of Project Safe Place, this all happens under a well-known symbol of safety for in-crisis youth.

Project Safe Place is a simple program to implement in any local community, and it works. Young people are more likely to seek help in locations that are familiar and nonthreatening to them. By creating a network of Safe Places across the Nation, all youth will have access to needed help, counseling, or a safe place to stay. However, though the program has already been established in 42 States, there are still too many communities that do not know about this valuable youth resource.

If your State does not already have a Safe Place organization, please consider facilitating this worthwhile resource so that young people who are abused, neglected, or whose futures are jeopardized by physical or emotional

trauma will have access to immediate help and safety in your community. To create more Project Safe Place sites in Idaho, the staff in several of my State offices have completed the training to make them Safe Place sites, and now have the skills and ability to assist troubled youth. In the coming years, Project Safe Place hopes that every child in America will have the opportunity to connect with someone who can provide immediate help by easily recognizing the Safe Place sign.

Mrs. FEINSTEIN. Mr. President, I also rise today to recognize National Safe Place Week, which begins on March 13, 2005.

I am proud to join Senator CRAIG as an original cosponsor of S. Res. 71, which designates the week of March 13-19, 2005 as National Safe Place Week. This resolution recognizes the participating businesses, community organizations, youth service agencies and volunteers that are part of the YMCA National Safe Place program and work for the safety and well-being of at-risk youth.

Youth today face an ever-growing amount of pressure in their daily lives at school, at home, and in the community. For some youth, problems include abuse or neglect at home, drug or alcohol addictions of family members and friends, trouble at school or dangerous situations on a date. Young people who face these situations should not feel left alone, but should have a place in their community to which to turn.

Over the past 22 years, the National Safe Place program has connected over 79,000 youth in crisis to immediate help at Safe Place locations and has provided over 78,000 youth with counseling by phone. Present in 41 States and serving 714 communities, the National Safe Place program brings together the private and public sector to reach out and help at-risk youth who are lost, scared, threatened or in unsafe situations. In my home State of California, there are nine designated Safe Place programs with over 1,667 Safe Place sites located in 65 communities.

National Safe Place sites include fast food restaurants, convenience stores, fire stations, libraries and other public buildings and are marked by large, yellow Safe Place signs displayed prominently in front windows. Any youth can walk into a Safe Place site and receive immediate help from a trained volunteer, and further help from a Safe Place staff person who can provide counseling, residential assistance or professional referrals, as needed.

The National Safe Place Week recognizes the time, resources and energy of thousands of businesses, community organizations and volunteers who make this effective, growing network of support for youth possible. In addition, it seeks to increase awareness of the crises that youth face today.

I am encouraged by the National Safe Place Program's positive impact on communities throughout the Nation, and I hope that more communities will

choose to participate in this innovative program. I believe that the National Safe Place program brings us closer to making our country safe for youth, and for that I offer my full support.

#### TRIBUTE TO JOHN GILLILAND

Mr. BAUCUS. Mr. President, I rise today to commend John Gilliland, who worked for me on the trade staff of the Finance Committee for the last 2 years. He left to go work for the law firm of Miller and Chevalier, where I know he will be a great success.

We were lucky to have John with us on the Committee for 2 years. But he has been working hard on public policy issues for much longer than that.

John began his Senate career in the office of my good friend and colleague, Senator BLANCHE LINCOLN. John worked for 2 years as her legislative counsel on trade and agriculture issues. Senator LINCOLN, of course, was instrumental in helping us pass the 2002 farm bill and the Trade Act of 2002, and John was her key staffer on both pieces of legislation.

My staff worked closely with John on these issues, and everyone was so impressed by him that I hired him to help us on the Finance Committee.

I am glad we did. John has been a tremendous asset. He knows agriculture and trade inside and out. I am always amazed that I can ask him almost anything, and he not only knows that answer, but can give me all of the history, politics, and nuance.

His knowledge of agriculture was particularly important for Montana, where farming and ranching are the engine of our export income. John is somebody who I trusted to represent me in Montana, and someone who I trusted to represent Montana here in Washington. That alone is saying a lot.

John worked on some difficult and important issues while on the Finance Committee. He played a key role in the Australia free-trade agreement and was responsible for oversight of WTO negotiations. He was also a strong advocate for our work to end the embargo against Cuba, and he helped negotiate the first ever Montana-Cuba agriculture trade deal. In fact, John traveled with me on several of my trade missions, including to Cuba, Asia, Australia, and New Zealand.

John is also someone who is very dedicated to his family. He is lucky to have a wonderful wife, Rebecca, and three great kids—Will, Hudson, and Rebecca Jane. And they are fortunate to have a hard-working and talented husband and father.

Now, all of this is not to say that John doesn't have his faults. Most of his colleagues give John a hard time for not being able to match his clothes. Their criticism is warranted. In fact, on a trip to Thailand last year, we finally forced him to buy a new suit and some dress shirts. I am confident that we have now set him on the right path.

Having visited John at his desk, I can also say that I am happy that OSHA

never paid him a visit. I heard someone describe John and his office best when they said that he combines southern charm with northern efficiency and third-world desk organization.

All of that said these are about the worst things you can say about John. In fact, you would be hard pressed to find a person who does not like John. He is truly one of the nicest and most genuine people you will ever meet. There are a lot of people in this town with substantive knowledge, but there are few who can put together the substance, personality, and strategy and be truly exceptional. John is one of those people.

I always say that public service is one of the most noble things a person can do. John Gilliland embodies the best in public service. He is ace. And I wish him the best.

#### ADDITIONAL STATEMENTS

##### CONGRATULATING BODE MILLER

• Mr. GREGG. Mr. President, I rise today to recognize and congratulate a great Granite Stater, Bode Miller. On Saturday Bode became the first American in 22 years to ski his way to the overall World Cup title. An Easton, NH native, Bode perfected his talents on the slopes of Cannon Mountain and now serves as the Director of Skiing at Bretton Woods. His style may not be conventional. It has been said that, like a good many New Hampshire natives, he has a mind of his own and enjoys doing things his own way. That independent spirit helped him do something else his own way this past Saturday—win the overall World Cup trophy.

The American World Cup drought has been in place since 1983 and, as Bode said on Saturday, had grown into "curse" proportions. In New England, we don't take kindly to sports "curses." Since the turn of the century, New Hampshire's sporting faith has been rewarded with three Super Bowl trophies from the New England Patriots and, of course, the much talked about World Series title in October by the Boston Red Sox. Bode's extraordinary feats on the ski slopes of Europe have gained him worldwide recognition and has an extra special importance for those from New Hampshire who enjoy some of the best skiing in the world in the White Mountains. We are proud that the slopes we enjoy skiing each winter, albeit at speeds much slower than Bode, have been the training ground for the world's best skier.

Bode donned his first pair of skis at the age of 3 and spent much of his early skiing life on the slopes of Cannon Mountain. He entered his first race when he was 11 and attended the Carrabassett Valley Academy in Maine and went on to the Junior Olympics in 1996, where he first made a name for himself. Bode competed in the 1998 and 2002 Winter Olympics, and he has collected eighteen World Cup wins over his career.

At 27 years of age, Bode Miller has accomplished the most sought-after spot of every skier, and has done so with his own style, determination, physical stamina and personality. Today we congratulate Bode Miller on this tremendous accomplishment, and we look forward to continuing to follow the eventful progress of the world's greatest skier.●

#### HAPPY BIRTHDAY GEORGE WIDMAN

• Mr. CONRAD. Mr. President, it is with great pleasure that I come to the floor today to wish a legendary North Dakota businessman, George Widman, a happy belated birthday. On Saturday, March 12, George turned 85. He celebrated this momentous birthday yesterday with friends and family. I never forget George's birthday because we share March 12 as our birthdays.

George and I have known each other many years, and his resiliency is something I have long admired. Following the disastrous floods and fire that struck downtown Grand Forks in 1997, George was wondering whether or not his world famous Widman's Candy Store would see another day. He told his wife, Betty, they could build the new candy store anywhere in the world, but they both agreed it was best to stay in Grand Forks and rebuild their business they had spent so many years crafting into a downtown Grand Forks landmark.

After Grand Forks had started to rebuild following this disastrous flood, George was kind enough to send every U.S. Senator a Widman's chocolate bar with the words "thank you" imprinted on it. This describes George's approach to life: give of yourself for the benefit of others.

George epitomizes everything North Dakota represents. Growing up during the Great Depression, he learned at an early age that in order to succeed hard work is required. He is very proud of his military service in World War II. He is a Navy veteran and served on the USS *Bunker Hill* from 1942 until his ship was hit in battle in 1945. He is devoted to his family, his community, and his Nation—all reasons we should pay tribute to George on his birthday and every day.

Today, three of George's six children are also in the candy business. Even though he has long passed the normal retirement age in our Nation, he stills comes to work every day to make candy and interact with the public he loves dearly. As George puts it, it's not about the money, but the people he serves.

Again, it is my pleasure to honor George on his 85th birthday and wish him continued health and happiness.●

#### MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Williams, one of his secretaries.

## EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

## EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, and were referred as indicated:

EC-1264. A communication from the Chief, Regulations and Administrative Law, U.S. Coast Guard, Department of Homeland Security, transmitting, pursuant to law the report of a rule entitled "Rates for Pilotage on the Great Lakes" (RIN1625-AE38) received on March 14, 2005; to the Committee on Commerce, Science, and Transportation.

EC-1265. A communication from the Chief, Regulations and Administrative Law, U.S. Coast Guard, Department of Homeland Security, transmitting, pursuant to law the report of a rule entitled "Security Zone; Fifth Coast Guard District" (RIN1625-AA87) received on March 14, 2005; to the Committee on Commerce, Science, and Transportation.

EC-1266. A communication from the Chief, Regulations and Administrative Law, U.S. Coast Guard, Department of Homeland Security, transmitting, pursuant to law the report of a rule entitled "Regulated Navigation Area: Humboldt Bay Bar Channel and Humboldt Bay Entrance Channel, Humboldt Bay, California" (RIN1625-AA11) received on March 14, 2005; to the Committee on Commerce, Science, and Transportation.

EC-1267. A communication from the Chief, Regulations and Administrative Law, U.S. Coast Guard, Department of Homeland Security, transmitting, pursuant to law the report of a rule entitled "Special Local Regulations: Severn River, College Creek, Weems Creek and Carr Creek, Annapolis, MD" (RIN1625-AA08) received on March 14, 2005; to the Committee on Commerce, Science, and Transportation.

EC-1268. A communication from the Chief, Regulations and Administrative Law, U.S. Coast Guard, Department of Homeland Security, transmitting, pursuant to law the report of a rule entitled "Special Local Regulations: Rowing Regattas, Indian Creek, Miami Beach, Florida" (RIN1625-AA08) received on March 14, 2005; to the Committee on Commerce, Science, and Transportation.

EC-1269. A communication from the Chief, Regulations and Administrative Law, U.S. Coast Guard, Department of Homeland Security, transmitting, pursuant to law the report of a rule entitled "Drawbridge Operation Regulations (Including 2 Regulations): [CGD08-05-011], [CGD01-05-017]" (RIN1625-AA09) received on March 14, 2005; to the Committee on Commerce, Science, and Transportation.

EC-1270. A communication from the General Counsel, Office of the General Counsel, Federal Energy Regulatory Commission, transmitting, pursuant to law, the report of a rule entitled "Regulations Governing the Conduct of Open Seasons for Alaska Natural Gas Transportation Projects (Order No. 2005) received on March 14, 2005; to the Committee on Energy and Natural Resources.

EC-1271. A communication from the Board Members, Railroad Retirement Board, transmitting, pursuant to law, the Board's 2004

Annual Report; to the Committee on Health, Education, Labor, and Pensions.

EC-1272. A communication from the Principal Deputy Associate Administrator, Office of Policy, Economics, and Innovation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Approval and Promulgation of Air Quality Implementation Plans; Maine; NOx Control Program" (FRL No. 7881-2) received on March 14, 2005; to the Committee on Environment and Public Works.

EC-1273. A communication from the Principal Deputy Associate Administrator, Office of Policy, Economics, and Innovation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Approval and Promulgation of State Implementation Plans; Designation of Areas for Air Quality Planning Purposes; State of Arizona, Maricopa County Area; Technical Correction" (FRL No. 7879-3) received on March 14, 2005; to the Committee on Environment and Public Works.

EC-1274. A communication from the Principal Deputy Associate Administrator, Office of Policy, Economics, and Innovation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Extension of National Pollutant Discharge Elimination System (NPDES) Permit Deadline for Storm Water Discharges for Oil and Gas Activity That Disturbs One to Five Acres" (FRL No. 7882-2) received on March 14, 2005; to the Committee on Environment and Public Works.

EC-1275. A communication from the Principal Deputy Associate Administrator, Office of Policy, Economics, and Innovation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Tennessee: Final Authorization of State Hazardous Waste Management Program Revision" (FRL No. 7883-5) received on March 14, 2005; to the Committee on Environment and Public Works.

## REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. DOMENICI, from the Committee on Energy and Natural Resources, without amendment:

S. 97. A bill to provide for the sale of bentonite in Big Horn County, Wyoming (Rept. No. 109-37).

S. 252. A bill to direct the Secretary of the Interior to convey certain land in Washoe County, Nevada, to the Board of Regents of the University and Community College System of Nevada (Rept. No. 109-38).

By Mr. DOMENICI, from the Committee on Energy and Natural Resources, with amendments:

S. 253. A bill to direct the Secretary of the Interior to convey certain land to the land to the Edward H. McDaniel American Legion Post No. 22 in Pahrump, Nevada, for the construction of a post building and memorial park for use by the American Legion, other veterans' groups, and the local community (Rept. No. 109-39).

## INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second times by unanimous consent, and referred as indicated:

By Ms. COLLINS (for herself and Mr. FEINGOLD):

S. 611. A bill to establish a Federal Interagency Committee on Emergency Medical

Services and a Federal Interagency Committee on emergency Medical Services Advisory Council, and for other purposes; to the Committee on Homeland Security and Governmental Affairs.

By Mr. SPECTER:

S. 612. A bill to require the Secretary of the Army to award the Combat Medical Badge or another combat badge for Army helicopter medical evacuation ambulance (Medevac) pilots and crews; to the Committee on Armed Services.

By Mr. SPECTER:

S. 613. A bill to establish the Steel Industry National Historic Site in the State of Pennsylvania; to the Committee on Energy and Natural Resources.

By Mr. SPECTER:

S. 614. A bill to amend title 38, United States Code, to permit medicare-eligible veterans to receive an out-patient medication benefit, to provide that certain veterans who receive such benefit are not otherwise eligible for medical care and services from the Department of Veterans Affairs, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. DAYTON:

S. 615. A bill to amend title 38, United States Code, to improve benefits under the Montgomery GI Bill by establishing an enhanced educational assistance program and by repealing the requirement for reduction in pay for participation in the program, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. ROCKEFELLER (for himself and Mrs. HUTCHISON):

S. 616. A bill to inform the American public and to protect children from increasing depictions of indecent and gratuitous and excessive violent material on television, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. LEVIN (for himself and Ms. STABENOW):

S. 617. A bill to direct the Secretary of the Army to carry out the dredging project, Menominee Harbor, Menominee River, Michigan and Wisconsin; to the Committee on Environment and Public Works.

By Mr. SESSIONS (for himself, Mr. LOTT, and Mr. ENZI):

S. 618. A bill to amend section 1951 of title 18, United States Code (commonly known as the Hobbs Act), and for other purposes; to the Committee on the Judiciary.

By Mrs. FEINSTEIN (for herself, Ms. COLLINS, Mr. LAUTENBERG, Mr. SPECTER, Mrs. LINCOLN, Mr. DODD, Mr. DAYTON, and Mr. NELSON of Florida):

S. 619. A bill to amend title II of the Social Security Act to repeal the Government pension offset and windfall elimination provisions; to the Committee on Finance.

By Mrs. FEINSTEIN (for herself, Mr. WARNER, Mr. SCHUMER, Mr. DEWINE, Ms. MKULSKI, Mr. DURBIN, Mrs. BOXER, Mrs. CLINTON, Mr. LEVIN, Mr. DODD, and Mr. REED):

S. 620. A bill to reinstate the Public Safety and Recreational Firearms Use Protection Act; to the Committee on the Judiciary.

## ADDITIONAL COSPONSORS

S. 29

At the request of Mrs. FEINSTEIN, the name of the Senator from Florida (Mr. NELSON) was added as a cosponsor of S. 29, a bill to amend title 18, United States Code, to limit the misuse of social security numbers, to establish criminal penalties for such misuse, and for other purposes.

S. 109

At the request of Mr. VITTER, the name of the Senator from Louisiana (Ms. LANDRIEU) was added as a cosponsor of S. 109, a bill entitled the "Pharmaceutical Market Access Act of 2005".

S. 224

At the request of Mr. KENNEDY, the name of the Senator from New York (Mrs. CLINTON) was added as a cosponsor of S. 224, a bill to extend the period for COBRA coverage for victims of the terrorist attacks of September 11, 2001.

S. 288

At the request of Mr. GREGG, the name of the Senator from Alaska (Ms. MURKOWSKI) was added as a cosponsor of S. 288, a bill to extend Federal funding for operation of State high risk health insurance pools.

S. 328

At the request of Mr. CRAIG, the names of the Senator from North Dakota (Mr. CONRAD), the Senator from Missouri (Mr. BOND) and the Senator from Connecticut (Mr. DODD) were added as cosponsors of S. 328, a bill to facilitate the sale of United States agricultural products to Cuba, as authorized by the Trade Sanctions Reform and Export Enhancement Act of 2000.

S. 352

At the request of Ms. MIKULSKI, the names of the Senator from Indiana (Mr. LUGAR), the Senator from New Jersey (Mr. CORZINE) and the Senator from Ohio (Mr. VOINOVICH) were added as cosponsors of S. 352, a bill to revise certain requirements for H-2B employers and require submission of information regarding H-2B non-immigrants, and for other purposes.

S. 370

At the request of Mr. LOTT, the name of the Senator from Virginia (Mr. ALLEN) was added as a cosponsor of S. 370, a bill to preserve and protect the free choice of individual employees to form, join, or assist labor organizations, or to refrain from such activities.

S. 382

At the request of Mr. ENSIGN, the name of the Senator from Montana (Mr. BAUCUS) was added as a cosponsor of S. 382, a bill to amend title 18, United States Code, to strengthen prohibitions against animal fighting, and for other purposes.

S. 392

At the request of Mr. LEVIN, the name of the Senator from California (Mrs. BOXER) was added as a cosponsor of S. 392, a bill to authorize the President to award a gold medal on behalf of Congress, collectively, to the Tuskegee Airmen in recognition of their unique military record, which inspired revolutionary reform in the Armed Forces.

S. 394

At the request of Mr. CORNYN, the name of the Senator from Georgia (Mr. ISAKSON) was added as a cosponsor of S. 394, a bill to promote accessibility, accountability, and openness in Government by strengthening section 552 of

title 5, United States Code (commonly referred to as the Freedom of Information Act), and for other purposes.

S. 397

At the request of Mr. CRAIG, the names of the Senator from Missouri (Mr. BOND) and the Senator from Pennsylvania (Mr. SPECTER) were added as cosponsors of S. 397, a bill to prohibit civil liability actions from being brought or continued against manufacturers, distributors, dealers, or importers of firearms or ammunition for damages, injunctive or other relief resulting from the misuse of their products by others.

S. 406

At the request of Ms. SNOWE, the name of the Senator from South Dakota (Mr. THUNE) was added as a cosponsor of S. 406, a bill to amend title I of the Employee Retirement Security Act of 1974 to improve access and choice for entrepreneurs with small businesses with respect to medical care for their employees.

S. 407

At the request of Mr. JOHNSON, the name of the Senator from Florida (Mr. NELSON) was added as a cosponsor of S. 407, a bill to restore health care coverage to retired members of the uniformed services, and for other purposes.

S. 414

At the request of Mr. MCCONNELL, the name of the Senator from Indiana (Mr. LUGAR) was added as a cosponsor of S. 414, a bill to amend the Help America Vote Act of 2002 to protect the right of Americans to vote through the prevention of voter fraud, and for other purposes.

S. 481

At the request of Mr. AKAKA, the name of the Senator from West Virginia (Mr. ROCKEFELLER) was added as a cosponsor of S. 481, a bill to amend title 38, United States Code, to extend the period of eligibility for health care for combat service in the Persian Gulf War or future hostilities from two years to five years after discharge or release.

S. 489

At the request of Mr. ALEXANDER, the names of the Senator from Nevada (Mr. ENSIGN) and the Senator from Georgia (Mr. ISAKSON) were added as cosponsors of S. 489, a bill to amend chapter 111 of title 28, United States Code, to limit the duration of Federal consent decrees to which State and local governments are a party, and for other purposes.

S. 498

At the request of Mr. BURR, the name of the Senator from Georgia (Mr. CHAMBLISS) was added as a cosponsor of S. 498, a bill to provide for expansion of electricity transmission networks in order to support competitive electricity markets, to ensure reliability of electric service, to modernize regulation and for other purposes.

S. 539

At the request of Mr. MARTINEZ, the names of the Senator from Alabama

(Mr. SESSIONS), the Senator from Minnesota (Mr. COLEMAN) and the Senator from Louisiana (Mr. VITTER) were added as cosponsors of S. 539, a bill to amend title 28, United States Code, to provide the protections of habeas corpus for certain incapacitated individuals whose life is in jeopardy, and for other purposes.

S. 550

At the request of Mr. CORZINE, the name of the Senator from Maryland (Mr. SARBANES) was added as a cosponsor of S. 550, a bill to amend the Public Health Service Act with respect to facilitating the development of microbicides for preventing transmission of HIV and other diseases, and for other purposes.

S. 575

At the request of Ms. MIKULSKI, the name of the Senator from Hawaii (Mr. INOUE) was added as a cosponsor of S. 575, a bill to amend the Internal Revenue Code of 1986 to provide a refundable credit for certain education expenses.

S. 586

At the request of Mr. BOND, the names of the Senator from California (Mrs. FEINSTEIN), the Senator from Florida (Mr. NELSON) and the Senator from Ohio (Mr. VOINOVICH) were added as cosponsors of S. 586, a bill to amend the Internal Revenue Code of 1986 to provide for the proper tax treatment of certain disaster mitigation payments.

S. 593

At the request of Ms. COLLINS, the names of the Senator from Mississippi (Mr. COCHRAN) and the Senator from Pennsylvania (Mr. SPECTER) were added as cosponsors of S. 593, a bill to amend title VII of the Tariff Act of 1930 to provide that the provisions relating to countervailing duties apply to non-market economy countries.

S. 602

At the request of Ms. MIKULSKI, the names of the Senator from Mississippi (Mr. COCHRAN), the Senator from Texas (Mr. CORNYN) and the Senator from New Jersey (Mr. CORZINE) were added as cosponsors of S. 602, a bill to amend the Public Health Service Act to fund breakthroughs in Alzheimer's disease research while providing more help to caregivers and increasing public education about prevention.

S. 610

At the request of Mr. TALENT, the names of the Senator from Illinois (Mr. DURBIN) and the Senator from Indiana (Mr. LUGAR) were added as cosponsors of S. 610, a bill to amend the Internal Revenue Code of 1986 to provide for a small agri-biodiesel producer credit and to improve the small ethanol producer credit.

S. CON. RES. 17

At the request of Mr. BIDEN, the name of the Senator from Michigan (Mr. LEVIN) was added as a cosponsor of S. Con. Res. 17, a concurrent resolution calling on the North Atlantic Treaty Organization to assess the potential effectiveness of and requirements for a

NATO-enforced no-fly zone in the Darfur region of Sudan.

S. RES. 31

At the request of Mr. COLEMAN, the name of the Senator from Washington (Mrs. MURRAY) was added as a cosponsor of S. Res. 31, a resolution expressing the sense of the Senate that the week of August 7, 2005, be designated as "National Health Center Week" in order to raise awareness of health services provided by community, migrant, public housing, and homeless health centers, and for other purposes.

S. RES. 33

At the request of Mr. LEVIN, the name of the Senator from California (Mrs. BOXER) was added as a cosponsor of S. Res. 33, a resolution urging the Government of Canada to end the commercial seal hunt.

S. RES. 59

At the request of Mr. SMITH, the name of the Senator from Connecticut (Mr. LIEBERMAN) was added as a cosponsor of S. Res. 59, a resolution urging the European Union to maintain its arms export embargo on the People's Republic of China.

#### STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Ms. COLLINS (for herself and Mr. FEINGOLD):

S. 611. A bill to establish a Federal Interagency Committee on Emergency Medical Services and a Federal Interagency Committee on emergency Medical Services Advisory Council, and for other purposes; to the Committee on Homeland Security and Governmental Affairs.

Ms. COLLINS. Mr. President, I rise today to introduce the Emergency Medical Services Act of 2005. This legislation will help to improve Federal efforts to support community-based emergency medical services across America. I am pleased to be joined by Senator FEINGOLD in this effort.

Today, New York University's Center for Catastrophe Preparedness and Response is releasing an important report, titled "Findings from a National Roundtable to Improve Emergency Medical Service's Homeland Security Preparedness." This report details concerns and recommendations from more than 50 representatives of national EMS organizations and Federal agencies. Their top recommendation was to improve EMS homeland security preparedness through enactment of the very measure we are introducing today. I would note that a former member of my staff, Tim Raducha-Grace drafted this report. Tim continues to be a champion of first responders nationwide, and I congratulate him on this latest achievement.

A comprehensive, coordinated emergency medical services system is essential to assure prompt, quality care to help individuals suffering from automobile crashes to traumatic medical emergencies, to terrorist events. The

emergency medical services system serves as one of the most important parts of our health care safety net.

Unfortunately, for the past 20 years, Federal support for EMS has been both scarce and uncoordinated. At least seven Federal agencies are involved in various aspects of emergency medical services (EMS), though most agencies focus on only one segment of the EMS system and don't effectively coordinate with other agencies.

In 2001, at the request of Senator FEINGOLD and myself, the General Accounting Office cited in its report *Emergency Medical Services: Reported needs are Wide-Ranging with a Growing Focus on Lack of Data* the need to increase coordination among Federal agencies as they address the needs of regional, State, or local emergency medical services systems.

This legislation would seek to improve one of the few existing efforts to coordinate Federal support for EMS providers. This legislation would formally establish a Federal Interagency Council on Emergency Medical Services (FICEMS), and would require the National Highway Traffic Safety Administration, in coordination with the Department of Homeland Security, to provide organizational and staff support.

This legislation would enhance coordination among the Federal agencies involved with the State, local, tribal and regional emergency medical services and 9-1-1 systems. It would also help to assure Federal agencies coordinate their EMS-related activities and maximize the best utilization of established funding.

Local, State and Federal level emergency medical services systems are extremely diverse and involve numerous different agencies and organizations. To assure a viable, responsive emergency medical services system, Federal agencies need the input and advice of their non-Federal partners and from persons regulating or providing emergency medical services systems at the State and local level.

According to Tom Judge, the Executive Director of Lifeflight of Maine, and Jay Bradshaw, the State of Maine's EMS Director, improved coordination can help strengthen support for a wide range of emergency medical services, from rural EMS providers, to communications between EMS systems, to improving coordination between local EMS providers and their Federal partners.

Another GAO report made it clear that the Center for Medicare and Medicaid Services needs to better coordinate its reimbursement with the Department of Transportation's matching grants for equipment and vehicles. Many of Maine's communities are at risk of seeing their first ambulance service closures in rural areas, such as in Rumford, ME, due to low reimbursement rates. If DOT targeted assistance to the low reimbursement areas that were at risk of shutting down, we

might be able to maintain service in those areas.

Improved coordination could also strengthen the integration between local providers and Federal agencies. Substantial numbers of our Reserve and National Guard units are being called up for duty, which has hurt search and air rescue capability across Maine. While LifeFlight of Maine is called upon to provide an eye in the sky there is little to no current capability for lifting someone out of the woods when there is no space to land. If the Navy pulls the last part time aircraft out of Brunswick Naval Air station, there wouldn't be any capability at all within a reasonable response timeframe.

I am pleased to have the support of Maine's EMS Director, Jay Bradshaw, Lifeflight of Maine, the American Ambulance Association, the National Association of Maine EMS Directors, and others.

We must ensure that Federal agencies coordinate their efforts to support the dedicated men and women who provide EMS services across our Nation. I urge my colleagues to join me in supporting their efforts by cosponsoring this legislation.

Mr. FEINGOLD. Mr. President, I am pleased to join my colleague from Maine, Senator COLLINS, today to introduce legislation that will help improve and streamline Federal support for community-based emergency medical services. Our proposal will also provide an avenue for local officials and EMS providers to help Federal agencies improve existing programs and future initiatives.

When someone has been seriously hurt or has an emergency medical problem in this country, the first thing they do is call for an ambulance. And the EMS providers of this country do a great job in responding to these emergencies. All of us have a friend or loved one who has relied on these first responders. These folks rush to assist people in trouble no matter the cause. Their only interest is making sure the patient is medically stable and being taken care of.

Congress has long recognized the important role played by EMS providers. However, Federal support for EMS has been unfocused and uncoordinated, with responsibility scattered among a number of different agencies. In 2001, the General Accounting Office cited the need to increase coordination between the Federal agencies involved with EMS issues but not much progress has been made since that report was issued. The Federal Government doesn't even have a good handle on how much it is spending on EMS or what the needs are for EMS.

A report to be released today by the New York University Center for Catastrophe Preparedness and Response highlights some of the deficiencies in our support for EMS. According to that report, less than 4 percent of the Office of Domestic Preparedness first responder grant funding and 5 percent of

HHS bioterrorism grant funding goes to EMS. More than half of ambulance providers received no direct Federal funding for homeland security preparedness. EMS providers receive very little homeland security preparedness education, training, and equipment and tend not to be well integrated into overall response planning.

The bill we introduce today is a good first step towards addressing many of the deficiencies in our current EMS policies and takes many of the steps recommended by the NYU report. It would establish a Federal interagency committee whose purpose will be to coordinate Federal EMS activities, identify EMS needs, assure proper integration of EMS in homeland security planning, and make recommendations on improving and streamlining EMS support. Although Federal law, P.L. 107-188, called for the establishment of a working group on EMS, this legislation goes further in detailing the role and function of the interagency committee. The Senate Homeland Security and Governmental Affairs Committee will certainly iron out any overlap that may exist.

This legislation also establishes an advisory council for the interagency committee that includes representatives from throughout the EMS community. The advisory committee, made up of non-Federal representatives from all EMS sectors and from both urban and rural areas, will provide guidance and input to the interagency committee on a variety of issues including the development of standards and national plans, expanding or creating grant programs, and improving and streamlining Federal EMS efforts. The advisory council is a critical component of this legislation because it is the channel through which local EMS practitioners can directly impact and help reform national EMS policy.

I want to thank the long list of supporting organizations, including Advocates for EMS, the American Ambulance Association, the American College of Surgeons, the American Medical Association, the American Heart Association, Association of Air Medical Services, ComCARE, the Emergency Nurses Association, Gold Cross/Mayo Medical Transport, the National Association of EMS Educators, the National Association of EMS Technicians, the National Association of EMS Physicians, the National EMS Pilot Association, the National Association of State EMS Directors, and the National Registry of EMTs. I also want to thank all of those Wisconsinites who provided so much helpful input in coming up with this legislation. In particular, I would like to thank Dr. Marvin Birnbaum of the University of Wisconsin, Fire Chief Dave Bloom of the Town of Madison, and Dan Williams, chair of Wisconsin's EMS advisory board, for their advice and guidance.

EMS providers are a critical component of our Nation's first responder network. We must act now to stream-

line and coordinate Federal EMS support and work to better understand the needs of the EMS community. I therefore ask my colleagues to join me in supporting this legislation.

By Mr. SPECTER:

S. 612. A bill to require the Secretary of the Army to award the Combat Medical Badge or another combat badge for Army helicopter medical evacuation ambulance (Medevac) pilots and crews; to the Committee on Armed Services.

Mr. SPECTER. Mr. President, I have sought recognition to explain briefly the provisions of legislation I have introduced today that would direct the Secretary of the Army to award the Combat Medical Badge (CMB), or a similar badge to be designed by the Secretary of the Army, to pilots and crew of the Army's helicopter medical ambulance units—commonly referred to by their call sign "DUST OFF"—who have flown combat missions to rescue and aid wounded soldiers, sailors, airmen, and Marines.

The legacy of the DUST OFF mission was brought to my attention by a group of Pennsylvania constituents who have been sharing the DUST OFF story in an attempt to persuade the Army to recognize the service and sacrifice DUST OFF crews made, especially during the Vietnam War, in saving the lives of thousands of fallen comrades by extracting the wounded from forward positions to bases where they would receive life-saving medical care.

The Army began using helicopters to evacuate wounded soldiers during the Korean War. However, because of their smaller size, Korean War helicopters were used solely as a means of transporting the wounded from the combat zones. It was not until the early 1960's that a group of Army aviators envisioned using the newer, larger, UH-1A "Huey" helicopters to serve as mobile air ambulances where a medic and crew could provide life-saving treatment en route to the medical aide station.

The road to establish air ambulance units within the Army was rocky and uncertain. Combat commanders often considered the use of helicopters for this purpose a diversion of valuable resources. However, through determination, skill, and the American fighting spirit, air ambulance crews proved they were a valuable and reliable resource in providing support to the combat mission. Indeed, between 1962 and 1973, DUST OFF crews evacuated more than 900,000 allied military personnel and Vietnamese civilian casualties to medical assistance sites.

Captain John Temperelli, Jr. was the first commander of the 57th Medical Detachment, Helicopter Ambulance, who would lead the first DUST OFF unit in Vietnam. Army Captain Temperelli is considered the "pioneer" of DUST OFF; however, it was Army Major Charles L. Kelly, the unit's third commander, who would establish the traditions and the motto that DUST OFF crews hold sacred today.

Major Kelly, like his predecessors, believed in the mission of rescuing fallen comrades so much so that he gave his life to the mission. On July 1, 1964, Major Kelly and his crew received a call to evacuate a wounded soldier. When they arrived, Major Kelly was instructed by an American advisor on the ground to leave the area; the landing zone was too "hot." Major Kelly responded with the phrase that would become the DUST OFF motto: "When I have your wounded." As Major Kelly hovered over the battlefield, an enemy bullet struck him in the heart; he was killed. It was with news of Major Kelly's death and the story of DUST OFF's dedication to the wounded that DUST OFF earned its permanency in the Army.

I received a book written by a Pennsylvania native, Army Chief Warrant Officer 5 Mike Novosel, titled DUSTOFF: The Memoir of an Army Aviator. Mr. Novosel—a Medal of Honor recipient who served two tours in Vietnam and was a veteran of two other wars—knows first hand the sacrifice, courage and dedication to duty that DUST OFF crews displayed in Vietnam and continue to display today. In his two tours as a DUST OFF pilot in Vietnam, Mr. Novosel flew 2,543 missions and extracted 5,589 wounded. In his book, Mr. Novosel shares many amazing stories of landing in "hot" landing zones to allow his medic and crew chief, who were also exposed to enemy fire, to rescue and care for the wounded. But as Mr. Novosel has said, his experience as a DUST OFF pilot was not uncommon. Thousands of brave soldiers risked their lives every day by flying into combat zones to evacuate the wounded.

I am honored that Mr. Novosel and others have brought the story of DUST OFF to my attention. It is my sincere hope that the Army will recognize DUST OFF pilots and crew with an appropriate badge which acknowledges the combat service of these brave individuals. When the War Department created the Combat Medical Badge (CMB) in WWII, as a companion to the Combat Infantryman Badge (CIB) it did so to recognize that "medical aidmen . . . shared the same hazards and hardships of ground combat on a daily basis with the infantry soldier." DUST OFF pilots and crew equally shared the hazards and hardships of ground combat with the infantry soldier. The fact that they were not directly assigned or attached to a particular infantry unit a fact that, under current Army policy, makes them eligible to receive a CIB or CMB should not bar special recognition of their service, service that one author has characterized as "the brightest achievement of the U.S. Army in Vietnam."

On July 29, 2003, I chaired a hearing of the Senate Committee on Veterans Affairs to hear testimony from DUST OFF participants about their experiences under fire. I gave the Army an opportunity to explain its position and,

perhaps, rethink its opposition to the awarding of an appropriate designation to DUST OFF crew members. Based on testimony offered by three Vietnam veterans—Chief Warrant Officer, Ret., Michael J. Novosel, M.O.H., Chief Warrant Officer, Ret., John M. Travers, and Mr. William Fredrick “Fred” Castleberry—I am now more convinced than ever of the worthiness of this legislation. Following the July 29, 2003, hearing, I introduced this legislation—S. 1487 in the 108th Congress. The bill was referred to the Committee on Armed Services, which has jurisdiction over this matter. Unfortunately, the bill never made its way out of committee which is why I am re-introducing this important legislation today.

Army officials recently decided to create a “Close Combat Badge” (CCB) for non-infantry soldiers that recognizes their direct participation in ground combat. However, this badge will not be awarded to DUST OFF Medical Helicopter Evacuation Crew Members who have yet to be properly recognized.

On the Vietnam Veterans Memorial are etched the names of over 400 medics, pilots, and crew that gave their lives so others might live. The forward thinking, enthusiasm, and dedication of DUST OFF crews in Vietnam are attributes seen in today’s DUST OFF crews. I urge my colleagues to support this legislation which would recognize the nature of the service these individuals have performed, and continue to perform, while serving on DUST OFF crews.

By Mr. SPECTER:

S. 613. A bill to establish the Steel Industry National Historic Site in the State of Pennsylvania; to the Committee on Energy and Natural Resources.

Mr. SPECTER. Mr. President, I have sought recognition to introduce legislation that will honor the importance of the steel industry in the Commonwealth of Pennsylvania and the Nation by creating the “Steel Industry National Historic Site” to be operated by the National Park Service in southwestern Pennsylvania.

The importance of steel to the industrial development of the United States cannot be overstated. A national historic site devoted to the history of the steel industry will afford all Americans the opportunity to celebrate this rich heritage, which is symbolic of the work ethic endemic to this great Nation. The National Park Service recently reported that Congress should make remnants of the U.S. Steel Homestead Works an affiliate of the national park system, rather than a full national park, an option which had been considered in prior years, and which I proposed in legislation during the 107th Congress. Due to the backlog of maintenance projects at national parks, the legislation offered today instead creates a national historic site that would

be affiliated with the National Park Service. There is no better place for such a site than in southwestern Pennsylvania, which played a significant role in early industrial America and continues to today.

I have long supported efforts to preserve and enhance this historical steel-related heritage through the Rivers of Steel Heritage Area, which includes the City of Pittsburgh, and seven southwestern Pennsylvania counties: Allegheny, Armstrong, Beaver, Fayette, Greene, Washington and Westmoreland. I have sought and been very pleased with congressional support for the important work within the Rivers of Steel Heritage Area expressed through appropriations levels of roughly \$1 million annually since fiscal year 1998. I am hopeful that this support will continue. However, more than just resources are necessary to ensure the historical recognition needed for this important heritage. That is why I am introducing this legislation today.

It is important to note why southwestern Pennsylvania should be the home to the national site that my legislation authorizes. The combination of a strong workforce, valuable natural resources, and Pennsylvania’s strategic location in the heavily populated northeastern United States allowed the steel industry to thrive. Today, the remaining buildings and sites devoted to steel production are threatened with further deterioration. Many of these sites are nationally significant and perfectly suited for the study and interpretation of this crucial period in our Nation’s development. Some of these sites include the Carrie Furnace complex, the Hot Metal Bridge, and the Unites States Steel Homestead Works, which would all become a part of the Steel Industry National Historic Site under my legislation.

Highlights of such a national historic site would commemorate a wide range of accomplishments and topics for historical preservation and interpretation from industrial process advancements to labor-management relations. It is important to note that the site I seek to become a national site under this bill includes the location of the Battle of Homestead, waged in 1892 between steelworkers and Pinkerton guards. The Battle of Homestead marked a crucial period in our Nation’s workers’ rights movement. The Commonwealth of Pennsylvania, individuals, and public and private entities have attempted to protect and preserve resources such as the Homestead battleground and the Hot Metal Bridge. For the benefit and inspiration of present and future generations, it is time for the federal government to join this effort to recognize their importance with the additional protection I provide in this bill.

I would like to commend my colleague, Representative MIKE DOYLE, who has been a longstanding leader in this preservation effort and who has consistently sponsored identical legislation in the U.S. House of Representa-

tives. I look forward to working with southwestern Pennsylvania officials and Mr. August Carlino, President and Chief Executive Officer of the Steel Industry Heritage Corporation, in order to bring this national historic site to fruition. We came very close to passing this bill in the 108th Congress with its passage in various forms in the House and Senate. However, Congress adjourned prior to final passage of the same bill in both chambers. Therefore, today I reintroduce this legislation and urge its swift passage.

By Mr. SPECTER:

S. 614. A bill to amend title 38, United States Code, to permit medicare-eligible veterans to receive an out-patient medication benefit, to provide that certain veterans who receive such benefit are not otherwise eligible for medical care and services from the Department of Veterans Affairs, and for other purposes; to the Committee on Veterans’ Affairs.

Mr. SPECTER. Mr. President, I have sought recognition to reintroduce the “Veterans Prescription Drugs Assistance Act of 2005,” a bill which seeks to assist Medicare-eligible veterans struggling with the costs of prescription medications.

In the 108th Congress, I worked with my colleagues to provide a prescription drug benefit for all Medicare-eligible seniors. Today, I offer legislation to allow Medicare-eligible veterans to obtain prescription drugs from the Department of Veterans Affairs (VA) at the significantly discounted costs that VA, as a high-volume purchaser of prescriptions medications, is able to secure in the marketplace.

On May 23, 2003, I introduced similar legislation—S. 1153 in the 108th Congress. In my capacity as Chairman of the Veterans Affairs Committee in the 108th Congress, I held a hearing on June 22, 2004, and heard testimony from Senate colleagues, Veterans Administration officials, and various veterans service organizations on this important legislation. On July 20, 2004, the Committee on Veterans Affairs reported out S. 1153 by a vote of 10 yeas and 5 nays. Unfortunately, the full Senate did not consider this measure.

In 2003, former Veterans Affairs Secretary Anthony J. Principi was forced to limit access to VA care—which continues to this day—by suspending new enrollments of non-service-disabled middle and higher income veterans who were not enrolled for care as of January 17, 2003. The Secretary was forced to so act because the number of patients provided care by VA had more than doubled in just five years and, as a result, VA’s medical care system had been overwhelmed. As a consequence, VA was unable to provide timely access to healthcare for all veterans who had sought it and appointment waiting times had grown to alarming levels. But in almost every news story that followed the Secretary’s difficult decision, it was noted that many of the new

enrollees who had overwhelmed VA's capacity to provide care were Medicare-eligible veterans who were able to get Medicare-financed care elsewhere but who were seeking access to the relatively generous prescription drug program provided to veterans under VA care.

Currently, VA provides enrolled patients with prescription medications for \$7 for each 30-day supply. But to get such prescriptions, the veteran must obtain the full range of medical care from VA. This fact, coupled with former VA Secretary Principi's decision to close enrollment, means that veterans who are now, or who will be, eligible for Medicare who had not enrolled for VA care prior to January 17, 2003, will be unable to access VA's generous prescription drug benefits. This legislation would provide some relief for those veterans. In addition, I anticipate that it may induce some VA-enrolled Medicare-eligible veterans—those who were happy with their Medicare-financed care but who enrolled for VA care to gain access to VA-supplied drugs—to return to non-VA care with knowledge that they will be able to get their non-VA prescriptions filled through VA. Enactment of this provision, then, would reduce—not exacerbate—VA patient backlog numbers.

The premise of this legislation is straightforward. VA fills and distributes more than 100 million prescriptions each year for its 4.7 million veteran-patients. As a result, it has significant purchasing power—power which, coupled with VA's formulary program, allows it to negotiate very favorable prices for prescription drugs. According to the National Association of Chain Drug Stores, the average "cash cost" of a prescription in 2003 was \$59.28. The average VA per-prescription cost in 2003 was just under \$25—more than 50 percent less. This bill would allow veterans to access these significant discounts simply by providing a written prescription from any duly licensed physician, presumably one he or she has seen under the Medicare program.

By reintroducing this legislation today, I seek to afford Medicare-eligible veterans access to such discounts. I do not propose that VA be directed to supply drugs to all Medicare-eligible veterans at VA expense, or even with a partial VA subsidy. VA has stated that such a mandate would divert VA funding which, clearly, is already stretched to the limit—away from VA priority patients: the service-connected, the poor, and those with special needs. I accept VA's statement of concern. I accept and I insist that scarce funding be directed, first, to meet the needs of priority patients. This legislation, therefore, requires that VA recover the costs of drugs it supplies under this program from veterans who bring their prescriptions from outside doctors to VA.

I do not propose to tell VA in this bill how to recover these costs. VA is better positioned than I to make such

judgments. Thus, my legislation provides flexibility to VA to design and test payment mechanisms to best accomplish cost recovery while still easing veterans' access to the drugs they need. It might be that enrollment fees, a co-payment structure, or a simple "cost-plus" for administrative expenses pricing format, or some combination of those mechanisms works best. It might be that different approaches work best in different regions of the country. I intend for the VA to experiment with different pricing structures to determine what works best. However, I also intend that veterans get a break on prescription drug pricing.

Those who would first benefit from this program are World War II and Korean War veterans who answered their country's call over 50 years ago. As they age, many desperately need relief from high drug prices. My purpose is not to minimize the work of the drug companies. Their discoveries have truly been marvels, but that is precious little comfort to a Medicare participant who, whatever the drug's overall utility might be, cannot afford both the drug and food or shelter or heat.

The premise of this legislation is simple: veteran access to VA market-driven discounts. Yet, the assistance it could provide might be profound. I urge my colleagues to support this bill so that the problem might be solved, or at least reduced, for seniors who served. They deserve it, and we should do it.

By Mr. ROCKEFELLER (for himself and Mrs. HUTCHISON):

S. 616. A bill to inform the American public and to protect children from increasing depictions of indecent and gratuitous and excessive violent material on television, and for other purposes; to the Committee on Commerce, Science, and Transportation.

Mr. ROCKEFELLER. Mr. President, to better protect our children and families from the increasingly indecent and violent images pervading our homes, I am introducing with Senator HUTCHISON the Indecent and Gratuitous and Excessively Violent Programming Control Act of 2005. I believe this to be a crucial issue with far-reaching implications for our young people and for our country, and I strongly encourage my colleagues to join me in seeing that this bill is enacted and sent to the President for his signature.

Each day, and for hours and hours every day, broadcast, cable, and satellite television outlets indiscriminately barrage our children and families with indecent and violent images. Our children don't differentiate between sources of their programs, and neither should the law. Not only does the pervasive nature of indecent programming coarsen our society, but also its effects are being felt in our homes, in our schools, and on our streets. I cannot tell you how many parents and educators have told me that the behavior of the children in their care is bad

and getting worse, and that they blame what these kids are seeing on television for much of the problem.

The Indecent and Gratuitous and Excessively Violent Programming Control Act is not intended to limit artistic expression, nor is it my purpose to impose the will of Congress on decisions that properly belong to parents. What I hope to do with this legislation is to give parents and broadcasters, especially local affiliates, a set of tools they can use to control the violence and lewdness being beamed into their homes and communities. To help parents determine what is appropriate programming for their children to watch, this legislation mandates meaningful labeling of violent and indecent programming to include a full-screen, 30-second warning every 30 minutes on broadcast, cable, and satellite programming. To help local broadcasters determine what appropriate programming for their communities is, the bill would allow local broadcasters to refuse to air programming that they believe violates their own community standards, and protects local broadcasters from fines levied for broadcast decisions imposed on them by national networks. I believe local broadcasters in West Virginia and across the country know what the standards of decency are in their own communities, but currently are at the mercy of the national networks. We need to give them the tools to follow community standards, and protect them when a national network forces them to air harmful programming.

The Indecent and Gratuitous and Excessively Violent Programming Control Act will require the Federal Communication Commission to begin comprehensive review of existing technologies to protect our children from gratuitous and excessively violent programming on broadcast television. My bill would require the FCC to assess the effectiveness of both the current voluntary ratings system and the "V-Chip" and other content-blocking technologies. I supported both voluntary announcements and requiring television manufacturers to install the V-Chip. I believe that both can be beneficial to parents who seek to limit what their kids are seeing. But I acknowledge—as every parent in a house with a television must that kids will seek out inappropriate content, and will attempt to find a way around whatever warnings or technological fixes we put in place to control their access to that content.

This legislation calls upon the FCC to recommend improved techniques or additional technologies that will help parents protect their children from material that could harm them or incite them to harm others. Specifically, if the FCC cannot affirm that these technologies are practically effective in protecting children then 1. create a "safe harbor" or other mechanism to protect children from gratuitous and excessively violent programming on

broadcast television and 2. Require the least restrictive means to protect children from indecency and gratuitous and excessive violence for cable and satellite programming.

This should not be an ad hoc judgment made out of fear of the FCC on the part of broadcasters, but instead a bright line test that artists, television networks, advertisers, and cable and satellite providers and, most importantly, parents can rely on. Because programming that is excessively violent or promotes violence is every bit as damaging to our youth as is content depicting sexuality in gratuitous or prurient manner, we must address both issues.

The Indecent and Violent Programming Control Act would increase fines the FCC could impose on broadcasters from \$27,500 to \$500,000 and gives the FCC the appropriate authority to double fines bases on certain circumstances. While I believe indecent programming transmitted against national and community standards, or against the wishes of adult consumers, must be punished, I also believe that most broadcasters are responsible and are interested in providing wholesome entertainment. As a means of self-policing, I have included a Sense of Congress that broadcast television outlets, as well as cable and satellite providers, abide by the "Television Code of National Association of Broadcasters."

Finally, and this may be the most important part of the bill, my legislation mandates that all broadcasters, be they network, cable, or satellite, to double the amount of children's programming they are required to show each week. Whatever one believes about other parts of the legislation I am introducing here today, I would hope that my colleagues would be pleased and proud to see this provision enacted. What might surprise my colleagues, and indeed most Americans, is that broadcasters are currently only required to show three hours of children's content a week. When you consider that what passes for children's content often amounts to little more than advertisements for products aimed at children, this is a travesty.

I welcome a vigorous and healthy debate on the issue of indecent programming aimed at children. We owe it to our children, and to the nation, to take up these challenging questions, and resolve to find ways to protect kids, encourage creativity, and pay allegiance to the Constitution. I believe the Indecent and Gratuitous and Excessively Violent Programming Control Act is a vital step toward that goal.

I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 616

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

#### SECTION 1. SHORT TITLE.

This Act may be cited as the "Indecent and Gratuitous and Excessively Violent Programming Control Act of 2005".

#### SEC. 2. FINDINGS.

Congress makes the following findings:

(1) Increasingly, parents, educators, and families are concerned about the material that is broadcast on television and radio, and the effect such material has on America's children.

(2) Television influences children's perception of the values and behavior that are common and acceptable in society.

(3) Broadcast television, cable television, and video programming are—

(A) uniquely pervasive presences in the lives of all American children; and

(B) readily accessible to all American children.

(4) 85.1 percent of all American homes subscribe to multi-channel video programming.

(5) Complaints about indecent programming have grown exponentially in the last five years.

(6) In 2004, Americans filed over 1,000,000 complaints with the Federal Communications Commission about indecent programming.

(7) According to reports from the Parents Television Council, indecent and violent video programming on cable television is pervasive.

(8) Studies also show that parents are increasingly concerned. According to the Kaiser Family Foundation, more than 4 out of 5 parents are concerned that their children are being exposed to too much sex on television.

(9) Violent video programming influences children, as does, indecent programming.

(10) The American Association of Pediatrics, the American Psychological Association, the American Medical Association, and the U.S. Surgeon General have all documented the harm from watching excessive television violence on children.

(11) There is empirical evidence that children exposed to violent video programming at a young age have a higher tendency to engage in violent and aggressive behavior later in life than those children not so exposed.

(12) There is empirical evidence that children exposed to violent video programming have a greater tendency to assume that acts of violence are acceptable behavior and therefore to imitate such behavior.

(13) There is empirical evidence that children exposed to violent video programming have an increased fear of becoming a victim of violence, resulting in increased self-protective behaviors and increased mistrust of others.

(14) There is a compelling governmental interest in limiting the negative influences of violent video programming on children.

(15) A significant amount of violent video programming that is readily accessible to minors remains unrated specifically for violence and therefore cannot be blocked solely on the basis of its violent content.

(16) Age-based ratings that do not include content rating for violence do not allow parents to block programming based solely on violent content thereby rendering ineffective any technology-based blocking mechanism designed to limit violent video programming.

(17) Technology-based solutions, such as the V-chip, may be helpful in protecting some children, but cannot achieve the compelling governmental interest in protecting all children from violent video programming when parents are only able to block programming that has, in fact, been rated for violence.

(18) Restricting the hours when violent video programming can be shown to protect

the interests of children whose parents are unavailable, unable to supervise their children's viewing behavior, do not have the benefit of technology-based solutions, are unable to afford the costs of technology-based solutions, or are unable to determine the content of those shows that are only subject to age-based ratings.

(19) After further study, pursuant to a rule-making, the Federal Communications Commission may conclude that content-based ratings and blocking technology do not effectively protect children from the harm of violent video programming.

(20) If the Federal Communications Commission reaches the conclusion described in paragraph (19), the channeling of violent video programming will be the least restrictive means of limiting the exposure of children to the harmful influences of violent video programming.

#### SEC. 3. DEFINITIONS.

As used in this Act:

(1) COMMISSION.—The term "Commission" means the Federal Communications Commission.

(2) MULTICHANNEL VIDEO PROGRAMMING DISTRIBUTOR.—The term "multichannel video programming distributor" has the same meaning given such term in section 602 of the Communications Act of 1934 (47 U.S.C. 522).

(3) OTHER PROGRAMMING SERVICE.—The term "other programming service" has the same meaning given such term in section 602 of the Communications Act of 1934 (47 U.S.C. 522).

#### SEC. 4. EFFECTIVENESS OF MEASURES PROTECTING CHILDREN FROM INDECENT AND VIOLENT VIDEO PROGRAMMING.

(a) ASSESSMENT.—The Commission shall assess—

(1) the technological and practical effectiveness of statutory and regulatory measures that require television broadcast station licensees and multichannel video programming distributors to rate and encode programming that could be blocked by parents, including use of the technology required by the Commission's Report and Order, ET Docket 97-206, under section 303(x) of the Communications Act of 1934 (47 U.S.C. 303(x)), in accomplishing their intended purposes;

(2)(A) the prevalence of violent programming on television;

(B) the effectiveness of the current system for rating and encoding violent television programming, including—

(i) an assessment of consumer awareness of the current ratings system; and

(ii) an assessment of whether current ratings are self-administered or performed by independent organizations; and

(3) the technological and practical effectiveness of measures used by multichannel video programming distributors to protect children from exposure to—

(A) indecent video programming; and

(B) gratuitous and excessively violent video programming.

(b) REPORTS.—Not later than 60 days after the date of enactment of this Act and annually thereafter, the Commission shall report its findings from the assessments made under subsection (a) to the Committee on Commerce, Science, and Transportation of the United States Senate and the Committee on Energy and Commerce of the United States House of Representatives.

(c) RULEMAKING PROCEEDING.—

(1) IN GENERAL.—If the Commission determines, on the basis of an assessment under subsection (a), that a measure described in subsection (a) is not effective in protecting

children from exposure to gratuitous and excessively violent video programming on television broadcasts, or from exposure to indecent video programming or gratuitous and excessively violent video programming carried by multichannel video programming distributors, then the Commission shall initiate and conclude (not later than 270 days after the date of that determination) a rule-making proceeding—

(A) to prohibit television broadcast station licensees from broadcasting gratuitous and excessively violent programming during the hours when children are reasonably likely to comprise a substantial portion of the audience if the Commission's determination relates to measures applicable to such broadcast television programming; or

(B) to adopt measures to protect children from indecent video programming, or gratuitous and excessively violent video programming, as the case may be, carried by multichannel video programming distributors during the hours when children are reasonably likely to comprise a substantial portion of the audience if the Commission's determination relates to measures applicable to such multichannel video programming.

(2) EXEMPTIONS.—The Commission may exempt from any prohibition or measure promulgated under paragraph (1)—

(A) video programming the broadcast or carriage of which does not conflict with the objective of protecting children from access to—

- (i) indecent programming; or
- (ii) gratuitous and excessively violent video programming; and

(B) premium and pay-per-view services.

(d) ENFORCEMENT.—The forfeiture penalties established by section 503(b) of the Communications Act of 1934 (47 U.S.C. 503(b)) shall apply to a violation of any regulation promulgated under subsection (c) in the same manner as if it were a violation of a provision of that Act subject to a forfeiture penalty under section 503 of that Act.

(e) DEFINITIONS.—In this section:

(1) GRATUITOUS AND EXCESSIVELY VIOLENT VIDEO PROGRAMMING.—The Commission shall define the term "gratuitous and excessively violent video programming" for purposes of this section. In defining it, the Commission—

(A) may include matter that is excessive or gratuitous violence within the meaning of the 1992 Broadcast Standards for the Depiction of Violence in Television Programs, December, 1992; and

(B) shall take into account the findings set forth in section 551(a) of the Telecommunications Act of 1996 (47 U.S.C. 303 note).

(2) HOURS WHEN CHILDREN ARE REASONABLY LIKELY TO COMPRISE A SUBSTANTIAL PORTION OF THE AUDIENCE.—The Commission shall define the term "hours when children are reasonably likely to comprise a substantial portion of the audience" for purposes of this section.

(3) INDECENT VIDEO PROGRAMMING.—The Commission shall define the term "indecent video programming" for purposes of this section.

(4) TELEVISION BROADCAST STATION LICENSEE.—The term "television broadcast station licensee" means the licensee or permittee of a television broadcast station licensed or permitted by the Federal Communications Commission under title III of the Communications Act of 1934 (47 U.S.C. 301 et seq.).

**SEC. 5. IMPROVED ENFORCEMENT OF INDECENCY ON BROADCAST PROGRAMMING.**

(a) IN GENERAL.—Section 503(b)(2) of the Communications Act of 1934 (47 U.S.C. 503(b)(2)) is amended—

(1) by redesignating subparagraphs (C) and (D) as subparagraphs (D) and (E), respectively;

(2) by inserting after subparagraph (B) the following new subparagraph:

“(C) Notwithstanding subparagraph (A), if the violator is—

“(i)(I) a broadcast station licensee or permittee; or

“(II) an applicant for any broadcast license, permit, certificate, or other instrument or authorization issued by the Commission; and

“(ii) determined by the Commission under paragraph (1) to have broadcast obscene, indecent, or profane language or images,

the amount of any forfeiture penalty determined under this subsection shall not exceed \$500,000, with each utterance constituting a separate violation, except that the amount assessed a licensee or permittee for any number of violations in a given 24-hour time period shall not exceed a total of \$3,000,000. In determining the amount of any forfeiture penalty under this subparagraph, the Commission, in addition to the elements identified in subparagraph (E), shall take into account the violator's ability to pay, including such factors as the revenue and profits of the broadcast stations that aired the obscene, indecent, or profane language and the size of the markets in which these stations are located.”;

(3) in subparagraph (D), as redesignated by paragraph (1), by striking "subparagraph (A) or (B)" and inserting "subparagraph (A), (B), or (C)".

(b) ADDITIONAL FACTORS IN INDECENCY PENALTIES; EXCEPTION.—Section 503(b)(2) of the Communications Act of 1934 (47 U.S.C. 503(b)(2)), as amended by subsection (a) of this section, is amended by adding at the end the following:

“(F) In the case of a violation in which the violator is determined by the Commission under paragraph (1) to have uttered obscene, indecent, or profane material, the Commission shall take into account, in addition to the matters described in subparagraph (E), the following factors with respect to the degree of culpability of the violator:

“(i) Whether the material uttered by the violator was live or recorded, scripted or unscripted.

“(ii) Whether the violator had a reasonable opportunity to review recorded or scripted programming or had a reasonable basis to believe live or unscripted programming would contain obscene, indecent, or profane material.

“(iii) If the violator originated live or unscripted programming, whether a time delay blocking mechanism was implemented for the programming.

“(iv) The size of the viewing or listening audience of the programming.

“(v) The size of the market.

“(vi) Whether the violation occurred during a children's television program (as such term is used in the Children's Television Programming Policy referenced in section 73.4050(c) of the Commission's regulations (47 C.F.R. 73.4050(c)) or during a television program rated TVY, TVY7, TVY7FV, or TVG under the TV Parental Guidelines as such ratings were approved by the Commission in implementation of section 551 of the Telecommunications Act of 1996, Video Programming Ratings, Report and Order, CS Docket No. 97-55, 13 F.C.C. Rd. 8232 (1998)), and, with respect to a radio broadcast station licensee, permittee, or applicant, whether the target audience was primarily comprised of, or should reasonably have been expected to be primarily comprised of, children.

“(G) The Commission may double the amount of any forfeiture penalty if the Com-

mission determines additional factors are present which are aggravating in nature, including—

“(i) whether the material uttered by the violator was recorded or scripted;

“(ii) whether the violator had a reasonable opportunity to review recorded or scripted programming or had a reasonable basis to believe live or unscripted programming would contain obscene, indecent, or profane material;

“(iii) whether the violator failed to block live or unscripted programming;

“(iv) whether the size of the viewing or listening audience of the programming was substantially larger than usual, such as a national or international championship sporting event or awards program; and

“(v) whether the violation occurred during a children's television program (as defined in subparagraph (F)(vi)).

“(H) For purposes of this section, the Commission shall have the authority to impose a forfeiture penalty on any broadcast station (as defined in section 153), network station, nationally distributed superstation, or television network (as those terms are defined in section 339).”.

(c) PUBLIC HEARINGS FOR VIOLATIONS OF INDECENCY PROHIBITIONS.—Section 503 of the Communications Act of 1934 (47 U.S.C. 503) is amended by adding at the end the following new subsection:

“(c) PUBLIC HEARINGS FOR VIOLATIONS OF INDECENCY PROHIBITIONS.—

“(1) IN GENERAL.—In any proceeding initiated under this section in which the Commission issues a notice of apparent liability, but prior to its imposition of a forfeiture penalty, the Commission or designees of the Commission shall conduct public hearings or forums at the discretion of the Commission or its designees, at any time and place the Commission or its designees is able to secure facilities and witnesses, for the purpose of carrying out the duties of the Commission and to ascertain the concerns and interests of the affected viewing communities exposed to the broadcast.

“(2) COMBINED HEARINGS.—If a broadcast results in the initiation of multiple proceedings and the issuance of multiple notices of apparent liability, but prior to the imposition of multiple forfeiture penalties, the Commission or its designee may combine the hearings required under paragraph (1).”.

**SEC. 6. LOCAL BROADCASTING AUTHORITY TO PREEMPT PROGRAMMING.**

Part I of title III of the Communications Act of 1934 (47 U.S.C. 301 et. seq.) is amended by adding at the end the following:

**“SEC. 340. LOCAL BROADCASTING AUTHORITY TO PREEMPT PROGRAMMING DEEMED OBSCENE OR INDECENT.**

“(a) LOCAL BROADCASTER ABILITY TO REVIEW PROGRAMMING IN ADVANCE.—A broadcast station licensee or permittee that receives programming from a network organization, but that is not owned or controlled, or under common ownership or control with, such network organization, shall be given reasonable opportunity to review all recorded or scripted programming in advance.

“(b) AUTHORITY TO PREEMPT.—A broadcast station licensee or permittee described in subsection (a)—

“(1) may decide not to broadcast, or otherwise preempt, in whole or in part and without penalty, any programming that it reasonably believes depicts or describes—

“(A) obscene, indecent, profane, or gratuitous and excessively violent material; or

“(B) activities that would be patently offensive as measured by the community standards of the community in which they operate; and

“(2) shall notify, in advance, the network organization of any decision not to broadcast, or otherwise preempt, any programming under paragraph (1).

“(c) EXEMPTION FROM PENALTY.—A broadcast station licensee or permittee described in subsection (a) shall not be subject to a forfeiture penalty under section 503(b)(2) for the broadcast of a program found to be in violation of section 503(b)(1), if the broadcast station licensee or permittee prior to such broadcast was—

“(1) required by a network organization to broadcast the program which was recorded or scripted, regardless of such broadcast station licensee or permittee’s decision not to broadcast, or otherwise preempt, the program under subsection (b);

“(2) not provided a reasonable opportunity to review the program; or

“(3) required to broadcast the program which was unscripted, live, or otherwise presented without a time delay blocking mechanism.

“(d) LIMITATION.—Nothing in this section shall preclude the imposition of a forfeiture penalty under section 503(b)(2) against a network organization or its owned and operated affiliate.

“(e) DEFINITION.—The Commission shall by rule define the term ‘network organization’ for purposes of this section.”

#### SEC. 7. WARNINGS BASED ON CONTENT OF PROGRAMMING.

Part I of title III of the Communications Act of 1934 (47 U.S.C. 301 et seq.), as amended by section 6, is amended by adding at the end the following:

##### “SEC. 341. WARNINGS BASED ON CONTENT OF PROGRAMMING.

“(a) IN GENERAL.—Each television and radio broadcast licensee, multichannel video programming distributor, or other programming service shall provide a warning of the specific content of each recorded or scripted program it broadcasts.

“(b) WARNING STANDARDS.—A warning provided under subsection (a) shall—

“(1) include information regarding the language content, sexual content, and violence content of the program to be broadcast or distributed;

“(2) be broadcast or distributed so as—

“(A) to appear in both visible and audible form;

“(B) to appear full screen for 30 seconds at the beginning of the program, and every 30 minutes thereafter in the case of a program in excess of 30 minutes in length; and

“(C) to advise viewers of their ability to block any such program, including programs containing gratuitous and excessively violent material, using V-chip technology to block display of programs with a common rating required under subsection (x) of section 303.

“(c) REVIEW.—The Commission shall, from time to time, review the warnings on the content of broadcast programming required under this section for the purpose of assuring that such warnings meet the requirements of this section.

“(d) DEFINITIONS.—As used in this section, the terms ‘multichannel video programming distributor’ and ‘other programming service’ have the same meaning given such terms in section 602.

“(e) LIMITATION.—Nothing in this section shall be deemed or construed to relieve, preclude, or obviate the application of the ratings standards set forth in the TV Parental Guidelines (Video Programming Ratings, Report and Order, CS Docket No. 97-55, 13 F.C.C. Rcd. 8232 (1998)) as such voluntary ratings were established by the National Association of Broadcasters, the National Cable Television Association, and the Motion Pic-

ture Association of America and approved by the Commission in implementation of section 551.”

#### SEC. 8. ASSESSMENT OF THE EFFECTIVENESS OF VOLUNTARY RATING STANDARDS.

The Commission shall—

(1) assess the effectiveness of measures designed to provide parents with timely information about the rating of upcoming broadcast programming under the TV Parental Guidelines (Video Programming Ratings, Report and Order, CS Docket No. 97-55, 13 F.C.C. Rcd. 8232 (1998)) as such voluntary ratings were established by the National Association of Broadcasters, the National Cable Television Association, and the Motion Picture Association of America and approved by the Commission in implementation of section 551 of the Telecommunications Act of 1996;

(2) assess the technical feasibility of developing ratings systems from alternative sources; and

(3) not later than 180 days after the date of enactment of this Act, report its findings based on the assessment under paragraphs (1) and (2) to the Committee on Commerce, Science, and Transportation of the United States Senate and the Committee on Energy and Commerce of the United States House of Representatives.

#### SEC. 9. CHILDREN’S PROGRAMMING REQUIREMENTS.

(a) INCREASE IN AMOUNT OF EDUCATIONAL AND INFORMATIONAL PROGRAMMING FOR CHILDREN.—

(1) IN GENERAL.—Not later than 180 days after the date of the enactment of this Act, the Commission shall promulgate regulations in accordance with section 102(a) of the Children’s Television Act of 1990 (47 U.S.C. 303a(a)), to require that each television broadcast licensee broadcast not less than 6 hours of programming specifically designed to serve the educational and informational needs of children during hours when children are reasonably likely to comprise a substantial portion of the audience.

(2) PROPORTIONAL INCREASE FOR DIGITAL TELEVISION MULTICASTS.—In response to the requirements of section 309(j)(14), the Commission shall promulgate regulations in accordance with section 102(a) of the Children’s Television Act of 1990 (47 U.S.C. 303a(a)), to require each television broadcast licensee providing digital multicasts to provide an amount of time to broadcast programming specifically designed to serve the educational and informational needs of children during hours when children are reasonably likely to comprise a substantial portion of the audience in the same ratio to its total amount of time provided to such children’s programming on its main stream under paragraph (1) bears to the total amount of time provided to all programming during the hours when children are reasonably likely to comprise a substantial portion of the audience.

(b) REPORT.—The Commission shall amend its regulations to require each television broadcast licensee to file, regularly, a report on how it met, for the year in review, its obligations to serve the educational and informational needs of children in accordance with section 102(a) of the Children’s Television Act of 1990 (47 U.S.C. 303a(a)).

(c) WEBSITE REQUIREMENT.—The Commission shall amend its regulations to require each television broadcast licensee for which there is a publicly accessible website on the Internet—

(1) to make its report available to the public on that website; or

(2) to provide a hyperlink on that website to the report on the Commission’s website.

#### SEC. 10. REINSTATEMENT OF VOLUNTARY CODE OF CONDUCT.

(a) VOLUNTARY INDUSTRY CODE OF CONDUCT GOVERNING CONTENT OF BROADCAST PROGRAMMING.—It is the sense of the Congress that each television and radio broadcast licensee, multichannel video programming distributor, or other programming service should reinstate or adopt, as the case may be, and faithfully comply with, the provisions set forth in the “Television Code of the National Association of Broadcasters” as adopted on December 6, 1951, with amendments thereafter, by the Television Board of the National Association of Broadcasters, formerly known as the National Association of Radio and Television Broadcasters.

(b) ANTITRUST EXEMPTION.—

(1) IN GENERAL.—The antitrust laws as defined in subsection (a) of the first section of the Clayton Act (15 U.S.C. 12) and the law of unfair competition under section 5 of the Federal Trade Commission Act (15 U.S.C. 45) shall not apply to any joint discussion, consideration, review, action, or agreement by or among television and radio broadcast licensees, multichannel video programming distributors, or other programming services for the purpose of, and limited to, developing and disseminating voluntary guidelines designed to provide a code of conduct regarding the content of broadcast programs.

(2) EXCEPTION.—The exemption provided for in this subsection shall not apply to any joint discussion, consideration, review, action, or agreement which results in a boycott of any person, corporation, advertiser, or industry.

#### SEC. 11. PREMIUM AND PAY-PER-VIEW CHANNELS EXEMPT.

(a) IN GENERAL.—Nothing in this Act shall be deemed or construed to apply to any premium or pay-per-view service.

(b) DEFINITION.—For the purpose of this section, the term “premium or pay-per-view service” shall mean any video programming provided by a multichannel video programming distributor that is offered on a per channel or per program basis.

By Mr. LEVIN (for himself and Ms. STABENOW):

S. 617. A bill to direct the Secretary of the Army to carry out the dredging project, Menominee Harbor, Menominee River, Michigan and Wisconsin; to the Committee on Environment and Public Works.

Mr. LEVIN. Mr. President, I come to the floor today to introduce a bill to reauthorize the dredging of the Menominee River and Channel to 24 and 26 feet, respectively, from their present NOAA-certified depth of 20 feet. Congress originally authorized this dredging in 1960 through Public Law 86-645, which was subsequently deauthorized by the Army in an administrative action due to a lack of funding as required by the Water Resources Development Act of 1986, Public Law 99-662.

The Menominee harbor channel depth of 20 feet dates back to 1931. While harbor depths of 20 feet may have been adequate for ships of that time, a detailed study by the Army Corps of Engineers in 1959 reported the size of cargo ships using Menominee, MI and Marinette, WI ports increased significantly in the mid-1950’s. Unfortunately, many of today’s modern and more efficient cargo ships cannot safely navigate in harbors with 20-foot clearances. Dredging the river and

channel to 24 and 26 feet would make these ports accessible to the larger ships and would be important to the economic growth in Menominee, Marinette, and the other regions of the country with which they trade. Manufacturing, shipbuilding, and transportation industries account for over a third of the region's employment and rely heavily on access to competitive port facilities.

Dredging of the Menominee River and Channel has been the subject of no less than a dozen studies submitted to Congress over the past century. The 1959 Army Corps of Engineers study recommended dredging to the depths I am proposing today and included support from the then-Governors of Michigan and Wisconsin, and findings of no adverse impact by the Departments Interior and Health, Education, and Welfare, and the Federal Power Commission. Assessments by the environmental agencies of Michigan and Wisconsin referenced in the Corps' report indicated the proposed dredging would not harm local fish and wildlife. I urge my colleagues to support this bill.

By Mrs. FEINSTEIN (for herself, Ms. COLLINS, Mr. LAUTENBERG, Mr. SPECTER, Mrs. LINCOLN, Mr. DODD, Mr. DAYTON, and Mr. NELSON of Florida):

S. 619. A bill to amend title II of the Social Security Act to repeal the Government pension offset and windfall elimination provisions; to the Committee on Finance.

Mrs. FEINSTEIN. Mr. President, I rise today with my colleague from Maine, Senator COLLINS, to introduce legislation that will repeal two provisions of current law that reduce earned Social Security benefits for teachers and other government pensioners—the Government Pension Offset provision and the Windfall Elimination Provision.

Under current law, public employees, whose salaries are often lower than those in the private sector, find that they are penalized and held to a different standard when it comes to retirement benefits. The unfair reduction in their benefits makes it more difficult to recruit teachers, police officers, and fire fighters; and it does so at a time when we should be doing everything we can to recruit the best and brightest to these careers.

The current Government Pension Offset provision reduces Social Security spousal benefits by an amount equal to two-thirds of the spouse's public employment civil service pension. This can have the effect of taking away, entirely, a spouse's benefits from Social Security. And, as one might guess, this provision disproportionately affects women.

The Social Security Windfall Elimination Provision reduces Social Security benefits for retirees who paid into Social Security and also receive a government pension, such as from a teacher retirement fund.

Private sector retirees receive monthly Social Security checks equal to 90 percent of their first \$627 in average monthly career earnings, plus 32 percent of monthly earnings up to \$3,152 and 15 percent of earnings above \$3,152. Government pensioners, however, are only allowed to receive 40 percent of the first \$627 in career monthly earnings, a penalty of over \$300 per month.

To my mind it is simply unfair. My legislation will allow government pensioners the chance to earn the same 90 percent to which non-government pension recipients are entitled.

I do not understand why we would want to discourage people from pursuing careers in public service by essentially saying that if you do enter public service; your family will suffer by not being able to receive the full retirement benefits they would otherwise be entitled to.

Record enrollments in public schools and the projected retirements of thousands of veteran teachers are driving an urgent need for teacher recruitment. Critical efforts to reduce class sizes also necessitate hiring additional teachers. It is estimated that schools will need to hire between 2.2 million and 2.7 million new teachers nationwide by 2009.

California currently has more than 300,000 teachers, but will need to hire an additional 300,000 teachers by 2010 to keep up with California's rate of student enrollment, which is three times the national average. All in all, California has to hire tens of thousands of new teachers every year.

To combat the growing teacher shortage crisis, forty-five States and the District of Columbia now offer "alternate routes" for certification to teach in the Nation's public schools.

It is a sad irony that policymakers are encouraging experienced people to change careers and enter the teaching profession at the same time that we clearly tell them that we will reduce your Social Security benefits for making such a change—benefits they worked so hard to earn.

Nearly one million government retirees nationwide are affected by the Government Pension Offset and Windfall Elimination provisions, but their impact is greatest in the 12 States that chose to keep their own public employee retirement systems, including California.

According to the Congressional Budget Office, the Government Pension Offset reduces benefits for some 200,000 individuals by more than \$3,600 a year. And, as I mentioned earlier, the Windfall Elimination Provision causes already low-paid public employees outside the Social Security system, like teachers, firefighters and police officers, to lose up to sixty percent of the Social Security benefits to which they are entitled. Sadly, the loss of Social Security benefits may make these individuals eligible for more costly assistance, such as food stamps.

I am also very aware that we are facing extraordinary deficits and that fixing the problem that we are talking about here today will be expensive. I am open to considering all options that move us toward our goal of allowing individuals to keep the Social Security benefits they are entitled to. The important thing for us to do is to take action that moves us in the right direction.

The reforms that led to the Government Pension Offset provision and the Windfall Elimination Provision are almost 20 years old. At the time they were enacted, I'm sure they seemed like a good idea. Now that we are witnessing the practical effects of those reforms, I hope that Congress will pass legislation to address the unfair reduction of benefits that make it even more difficult to recruit and retain public employees.

Ms. COLLINS. Mr. President, I am pleased to join with my colleague from California, Senator FEINSTEIN, in introducing the Social Security Fairness Act. This bill repeals two provisions of current law—the windfall elimination provision (WEP) and the government pension offset (GPO) that unfairly reduce earned Social Security benefits for many public employees when they retire.

Individuals affected by both the GPO and the WEP are those who are eligible for Federal, State or local pensions from work that was not covered by Social Security, but who also qualify for Social Security benefits based on their own work in covered employment or that of their spouses. While the two provisions were intended to equalize Social Security's treatment of workers, we are concerned that they unfairly penalize individuals for holding jobs in public service when the time comes for them to retire.

These two provisions have enormous financial implications not just for Federal employees, but for our teachers, police officers, firefighters and other public employees as well. Despite their challenging, difficult and sometimes dangerous jobs, these invaluable public servants often receive far lower salaries than private sector employees. It is therefore doubly unfair to penalize them when it comes to their Social Security benefits. These public servants—or their spouses—have all paid taxes into the Social Security system. So have their employers. Yet, because of these two provisions, they are unable to collect all of the Social Security benefits to which they otherwise would be entitled.

While the GPO and WEP affect public employees and retirees in virtually every State, their impact is most acute in 15 States, including Maine. Nationwide, more than one-third of teachers and education employees, and more than one-fifth of other public employees, are affected by the GPO and/or the WEP.

Almost one million retired government workers across the country have

already been adversely affected by these provisions. Millions more stand to be affected by them in the future. Moreover, at a time when we should be doing all that we can to attract qualified people to public service, this reduction in Social Security benefits makes it even more difficult for our Federal, State and local governments to recruit and retain the teachers, police officers, firefighters and other public servants who are so critical to the safety and well-being of our families.

The Social Security windfall elimination provision reduces Social Security benefits for retirees who paid into Social Security and who receive a government pension from work not covered under Social Security, such as pensions from the Maine State Retirement Fund. While private sector retirees receive Social Security checks based on 90 percent of their first \$612 average monthly career earnings, government pensioners checks are based on 40 percent a harsh penalty of more than \$300 per month.

The government pension offset reduces an individual's survivor benefit under Social Security by two-thirds of the amount of his or her public pension. It is estimated that nine out of ten public employees affected by the GPO lose their entire spousal benefit, even though their deceased spouses paid Social Security taxes for many years.

What is most troubling is that this offset is most harsh for those who can least afford the loss—lower-income women. In fact, of those affected by the GPO, 73 percent are women. According to the Congressional Budget Office, the GPO reduces benefits for more than 200,000 of these individuals by more than \$3,600 a year—an amount that can make the difference between a comfortable retirement and poverty.

Our teachers and other public employees face difficult enough challenges in their day-to-day work. Individuals who have devoted their lives to public service should not have the added burden of worrying about their retirement. Many Maine teachers, in particular, have talked with me about this issue. They love their jobs and the children they teach, but they worry about the future and about their financial security in retirement.

I hear a lot about this issue in my constituent mail, as well. Patricia Dupont, for example, of Orland, ME, wrote that, because she taught for 15 years under Social Security in New Hampshire, she is living on a retirement income of less than \$13,000 after 45 years in education. Since she also lost survivors' benefits from her husband's Social Security, she calculates that a repeal of the WEP and the GPO would double her current retirement income.

These provisions also penalize private sector employees who leave their jobs to become public school teachers. Ruth Wilson, a teacher from Otisfield, Maine, wrote:

"I entered the teaching profession two years ago, partly in response to

the nationwide pleas for educators. As the current pool of educators near retirement in the next few years, our schools face a crisis. Low wages and long hard hours are not great selling points to young students when selecting a career.

"I love teaching and only regretted my decision when I found out about the penalties I will unfairly suffer. In my former life as a well-paid systems manager at State Street Bank in Boston, I contributed the maximum to Social Security each year. When I decided to become an educator, I figured that because of my many years of maximum Social Security contributions, I would still have a livable retirement 'wage.' I was unaware that I would be penalized as an educator in your State."

In September of 2003, I chaired a Governmental Affairs Committee hearing to examine the effect that the GPO and the WEP have had on public employees and retirees. We heard compelling testimony from 73-year old Julia Worcester of Columbia, ME, who told us about her work in both Social Security-covered employment and as a Maine teacher, and about the effect that the GPO and WEP have had on her income in retirement. Mrs. Worcester worked for more than 20 years as a waitress and in factory jobs before deciding, at the age of 49, to go back to school to pursue her life-long dream of becoming a teacher. She began teaching at the age of 52 and taught full-time for 15 years before retiring at the age of 68. Since she was only in the Maine State Retirement System for 15 years, Mrs. Worcester does not receive a full State pension. Yet she is still subject to the full penalties under the GPO and WEP. As a consequence, she receives just \$107 a month in Social Security benefits, even though she worked hard and paid into the Social Security system for more than 20 years. After paying for her health insurance, she receives less than \$500 a month in pension income.

After a lifetime of hard work, Mrs. Worcester, is still substitute teaching at 75, just to make ends meet. This simply is not fair. I am therefore pleased to join Senator FEINSTEIN in introducing this legislation to repeal these two unfair provisions, and I urge my colleagues to join us as cosponsors.

By Mrs. FEINSTEIN (for herself, Mr. WARNER, Mr. SCHUMER, Mr. DEWINE, Ms. MIKULSKI, Mr. DURBIN, Mrs. BOXER, Mrs. CLINTON, Mr. LEVIN, Mr. DODD, and Mr. REED):

S. 620. A bill to reinstate the Public Safety and Recreational Firearms Use Protection Act; to the Committee on the Judiciary.

Mrs. FEINSTEIN. Mr. President, I rise to offer, along with Senators WARNER of Virginia and DEWINE of Ohio, the Assault Weapons Ban Reauthorization Act of 2005. We are joined by Senators SCHUMER, MIKULSKI, DURBIN, CLINTON, BOXER, LEVIN, DODD and REED, who are original cosponsors of this critical legislation.

This is the same basic legislation that passed by the Senate last year as an amendment to a bill designed to provide blanket immunity for gun manufacturers. However, once that amendment passed, the underlying bill was defeated, in part by its own sponsors, after the National Rifle Association applied intense pressure to Members of this body.

Thus we saw the ideological and extreme view of the National Rifle Association, when they sacrificed their most desired legislative priority—gun immunity legislation—because the Senate had approved the assault weapons ban and two other amendments that would save people's lives: closing the gun show loophole, and requiring trigger locks.

Although President Bush had said he supported the assault weapons ban, he refused to personally engage to help this legislation get signed into law, and the ban expired on September 13, 2004. As a result, these weapons are now once again proliferating through our neighborhoods and communities throughout the United States.

That is why, today, I am introducing the Assault Weapons Ban Reauthorization Act of 2005. This legislation mirrors the legislation I authored in the Senate and then-Congressman SCHUMER authored in the House in 1994.

As was done then, the legislation I am introducing would: ban the manufacturing of 19 specific types of military-style assault weapons, as well as a number of other guns based on a simple test to determine whether the guns were hunting guns or weapons of war; prohibit the manufacture of large capacity ammunition magazines—clips, drums and strips of more than ten rounds—because it is those large capacity ammunition feeding devices that can make a semiautomatic assault weapons so very deadly; and continue to exempt 670 hunting guns entirely, and it is also important to note that the ban would continue to "grandfather" in every gun that was made before 1994. So no innocent gun owner would lose a weapon. There will again be no confiscation component to the bill.

This legislation is not perfect. There are comparisons that were made to get it passed last time around, and since its previous enactment there have been many concerns raised about the need to tighten or alter the definition in order to make the prohibition more effective. I am open to working with my colleagues to ensure we enact the best legislation possible, but we need a first step—at a minimum Congress needs to reinstate the original assault weapons ban.

Unfortunately, we are already seeing the impact of the lapse of this law and we should not let another year pass without reinstating its protections. We know the ban worked. Supply went down. Prices went up. The use of these weapons of war in gun crimes had fallen consistently since the ban passed.

According to Department of Justice data, the proportion of these assault weapons used in crime fell more than 65 percent since the ban took effect. And these statistics are backed up by report from the Brady Campaign.

The analysis in the Brady study was performed by Gerald Nunziato, who for eight years served as the Special Agent in Charge of ATF's National Tracing Center—a man who know first hand what these numbers means.

The study found two key things:

First: "Assault weapons banned by name in the Federal Assault Weapons Act have declined significantly as a percentage of guns ATF has traced to crime, and in absolute number of traces, since the Act was passed. Had this decline not occurred, thousands more of these banned assault weapons would likely have been traced to crime over the last 10 years."

In other words, the assault weapons legislation signed into law ten years ago successfully dried up the use of banned assault weapons in crime. Second, arguments have arisen that despite this evidence, the ban has not really worked because gun manufacturers would simply produce copycat guns that have the same killing power as assault weapons, and use these guns in crime across the country. I agree that gun manufacturers have tried everything they could to circumvent the ban and this concern is something that may need to be addressed. But let's look at what the Brady study said about this issue.

Second: "The gun industry's efforts to evade the Federal Assault Weapons Act through the sale of 'copycat' guns has not substantially undercut the positive effect of the statute in reducing the incidence of assault weapons among crime guns."

In other words, even though determined gun manufacturers tried to evade the ban, they were not successful and copycat guns did not replace banned guns in equal numbers, at least when traced to crimes.

In many cases, and when dealing with many issues, I continue to find that what is most compelling is not just the statistics, but rather the real people affected by the policies we debate. It's those men, women and children that are the reason most of us come to work everyday. I'm here today to talk about this issues because of the devastating effect these guns can have on families in our neighborhoods, office buildings, street corners or school-houses across the country. I have said before that this issue really came home to me on July 1, 1993, just over 11 years ago, when Gian Luigi Ferri walked into 101 California Street in San Francisco carrying two high-capacity TEC-DC9 assault pistols capable of holding 30- or 50-bullet magazines. Within minutes, Ferri had murdered eight people and six others were wounded. His victims were not soldiers or even enforcement officers. These people doing everyday jobs in an everyday place. A place for-

ever tainted by the bloodshed caused by one man and his assault weapons.

And 101 California was just one of many shootings by grievance killers, discontented employees or even school-children—shooting that shows us that nobody is safe when these guns are in the hands of the wrong people. Yet five months ago, the federal ban on assault weapons expired, and once again new guns like the TEC-DC9 are allowed on our streets. The ban expired despite overwhelming public support to renew it—71 percent of all Americans support renewing the assault weapons ban, as do 64 percent of people in homes with a gun. And it expired despite overwhelming support from law enforcement and civic organizations—nearly every major law enforcement and civic organization has supported a renewal, including the Fraternal Order of Police, the Chiefs of Police, the U.S. Conference of Mayors, the National Association of Counties, and the list goes on and on.

Sadly, the ban expired despite the stated public support of President George W. Bush and former Attorney General John Ashcroft and despite the support of a majority of United States Senators—52 of us voted to renew this ban just this past March. Despite all of this support, this past September the American people were left unprotected and made less safe. And make no mistake—when the ban expired the guns began to flow. And when the guns began to flow the safety of our communities was put in jeopardy.

One advertisement that ran in gun magazines is from ArmaLite, a company that makes post-ban rifles. ArmaLite offered a coupon for a free flash suppressor for anyone who bought one of their guns before the ban expired so that, once the ban expired, the gun could be modified to its pre-ban configuration.

The ad even states that, "It is not legal to install this on a post ban rifle until the assault weapons ban sunsets."

This is the kind of thing we can continue to expect—companies once again producing deadly assault weapons, high capacity clips, and dangerous accessories we worked so hard to stop almost ten years ago.

The original assault weapons ban was passed before September 11, 2001, with focus on the use of these military weapons by street criminals and gangs. But in the intervening years we have come to appreciate the significance of the threat posed by foreign terrorists. We know that al Qaeda and other shadowy terrorist groups may plan to attack us here, at home, using these very weapons. A training manual found in Afghanistan made clear that al Qaeda has seen the threat posed by these weapons. In fact, some of these guns are the very ones being used against our men and women in uniform in Afghanistan and in Iraq.

Simply put—these weapons are not just a law enforcement problem. They are a homeland security and counter-

terrorism problem. We need to take action to ensure that AK-47s and other such assault weapons cannot simply be purchased by a terrorist operative in preparation for an attack in the United States.

I am deeply disappointed that despite support of the American people, support of the Congress, and stated support of the President, the assault weapons ban was allowed to expire this past fall.

It is past time to stand up to the NRA and instead listen to law enforcement all across the nation who know that this ban makes sense and saves lives. It is past time to listen to the studies that show that crime with assault weapons of all kinds has decreased by as much as 65 percent since the ban took effect almost ten years ago.

The bottom line is that across this nation everybody knows this ban should be law. Law enforcement, mayors, cities, counties, three former Presidents, and even George W. Bush himself have said the ban should be renewed.

This time I hope, for the safety of all Americans, President Bush, Majority Leader FRIST and Speaker HASTERT will help re-enact this important legislation.

#### AMENDMENTS SUBMITTED AND PROPOSED

SA 141. Mr. COLEMAN submitted an amendment intended to be proposed by him to the concurrent resolution S. Con. Res. 18, setting forth the congressional budget for the United States Government for fiscal year 2006 and including the appropriate budgetary levels for fiscal years 2005 and 2007 through 2010; which was ordered to lie on the table.

SA 142. Mr. GREGG proposed an amendment to the concurrent resolution S. Con. Res. 18, supra.

SA 143. Mr. BINGAMAN (for himself, Mr. KENNEDY, Mrs. CLINTON, Mr. DODD, Mr. AKAKA, Mr. SARBANES, Mr. LAUTENBERG, Mr. LIEBERMAN, Mrs. MURRAY, Mr. LEVIN, Mr. HARKIN, Mr. OBAMA, Mr. BAUCUS, and Ms. CANTWELL) proposed an amendment to the concurrent resolution S. Con. Res. 18, supra.

#### TEXT OF AMENDMENTS

**SA 141.** Mr. COLEMAN submitted an amendment intended to be proposed by him to the concurrent resolution S. Con. Res. 18, setting forth the congressional budget for the United States Government for fiscal year 2006 and including the appropriate budgetary levels for fiscal years 2005 and 2007 through 2010; which was ordered to lie on the table; as follows:

On page 17, line 16, increase the amount by \$1,479,000,000.

On page 17, line 17, increase the amount by \$354,960,000.

On page 17, line 21, increase the amount by \$1,094,460,000.

On page 17, line 25, increase the amount by \$29,580,000.

On page 24, line 16, decrease the amount by \$1,479,000,000.

On page 24, line 17, decrease the amount by \$354,960,000.

On page 24, line 21, decrease the amount by \$1,094,460,000.

On page 24, line 25, decrease the amount by \$29,580,000.

**SA 142.** Mr. GREGG proposed an amendment to the concurrent resolution S. Con. Res. 18, setting forth the congressional budget for the United States Government for fiscal year 2006 and including the appropriate budgetary levels for fiscal years 2005 and 2007 through 2010; as follows:

On page 8, line 14, strike the amount \$491,526,000,000 and insert \$491,562,000,000.

On page 30, line 17 strike the amount \$70,154,000 and insert \$70,154,000,000.

**SA 143.** Mr. BINGAMAN (for himself, Mr. KENNEDY, Mrs. CLINTON, Mr. DODD, Mr. AKAKA, Mr. SARBANES, Mr. LAUTENBERG, Mr. LIEBERMAN, Mrs. MURRAY, Mr. LEVIN, Mr. HARKIN, Mr. OBAMA, Mr. BAUCUS, and Ms. CANTWELL) proposed an amendment to the concurrent resolution S. Con. Res. 18, setting forth the congressional budget for the United States Government for fiscal year 2006 and including the appropriate budgetary levels for fiscal years 2005 and 2007 through 2010; as follows:

On page 3, line 10, increase the amount by \$400,000,000.

On page 3, line 11, increase the amount by \$6,420,000,000.

On page 3, line 12, increase the amount by \$2,052,000,000.

On page 3, line 13, increase the amount by \$628,000,000.

On page 3, line 19, increase the amount by \$400,000,000.

On page 3, line 20, increase the amount by \$6,420,000,000.

On page 3, line 21, increase the amount by \$2,052,000,000.

On page 4, line 1, increase the amount by \$628,000,000.

On page 4, line 7, increase the amount by \$4,750,000,000.

On page 4, line 16, increase the amount by \$200,000,000.

On page 4, line 17, increase the amount by \$3,210,000,000.

On page 4, line 18, increase the amount by \$1,026,000,000.

On page 4, line 19, increase the amount by \$314,000,000.

On page 4, line 24, increase the amount by \$200,000,000.

On page 4, line 25, increase the amount by \$3,210,000,000.

On page 5, line 1, increase the amount by \$1,026,000,000.

On page 5, line 2, increase the amount by \$314,000,000.

On page 5, line 7, decrease the amount by \$200,000,000.

On page 5, line 8, decrease the amount by \$3,410,000,000.

On page 5, line 9, decrease the amount by \$4,436,000,000.

On page 5, line 10, decrease the amount by \$4,750,000,000.

On page 5, line 11, decrease the amount by \$4,750,000,000.

On page 5, line 15, decrease the amount by \$200,000,000.

On page 5, line 16, decrease the amount by \$3,410,000,000.

On page 5, line 17, decrease the amount by \$4,436,000,000.

On page 5, line 18, decrease the amount by \$4,750,000,000.

On page 5, line 19, decrease the amount by \$4,750,000,000.

On page 17, line 16, increase the amount by \$4,750,000,000.

On page 17, line 17, increase the amount by \$200,000,000.

On page 17, line 21, increase the amount by \$3,210,000,000.

On page 17, line 25, increase the amount by \$1,026,000,000.

On page 18, line 4, increase the amount by \$314,000,000.

On page 30, line 16, decrease the amount by \$400,000,000.

On page 30, line 17, decrease the amount by \$9,500,000,000.

On page 48, line 6, increase the amount by \$4,750,000,000.

On page 48, line 7, increase the amount by \$200,000,000.

## AUTHORITY FOR COMMITTEES TO MEET

### COMMITTEE ON THE JUDICIARY

#### SUBCOMMITTEE ON IMMIGRATION, BORDER SECURITY AND CITIZENSHIP

#### SUBCOMMITTEE ON TERRORISM, TECHNOLOGY AND HOMELAND SECURITY

Mr. GREGG. Mr. President, I ask unanimous consent that the Committee on the Judiciary and the Committee Subcommittee on Immigration, Border Security and Citizenship and the Subcommittee on Terrorism, Technology and Homeland Security be authorized to meet to conduct a joint hearing on "Strengthening Enforcement and Border Security: The 9/11 Commission Staff Report on Terrorist Travel" on Monday, March 14, 2005 in Dirksen Room 226 at 2:30 p.m. The tentative witness list is attached.

#### Witness List:

PANEL I: Elaine Dezenski, Deputy Assistant Secretary for Policy, Bureau of Transportation Security, Department of Homeland Security, Washington, DC; and Tom Walters, Acting Assistant Commissioner, Office of Training and Development for Customs and Border Protection, Department of Homeland Defense, Washington, DC.

PANEL II: Doris Meissner, former Immigration and Naturalization Commissioner, Senior Fellow, Migration Policy Institute, Washington, DC; and Janice Kephart, former Staff Counsel for the 9/11 Commission, Senior Consultant, The Investigative Project, Mount Vernon, VA.

The PRESIDING OFFICER. Without objection, it is so ordered.

## PRIVILEGE OF THE FLOOR

Mr. CONRAD. Mr. President, I ask unanimous consent that privilege of the floor be granted to Sara Vecchiotti during the consideration of the budget resolution and rollcall votes thereon.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. AKAKA. Mr. President, I ask unanimous consent a legislative fellow in my office, Al Bird, be allowed floor privileges for consideration of this resolution.

The PRESIDING OFFICER. Without objection, it is so ordered.

## APPOINTMENT

The PRESIDING OFFICER. The Chair, on behalf of the majority leader, pursuant to Public Law 100-458, section 114(b)(2)(c), appoints Marsha Blackburn, of Tennessee, to the Board of Trustees of the John C. Stennis Center for Public Service Training and Development, for a 6-year term.

## ORDERS FOR TUESDAY, MARCH 15, 2005

Mr. STEVENS. I ask unanimous consent when the Senate completes its business today, the Senate adjourn until 9:30 a.m. on Tuesday, March 15. I further ask that following the prayer and the pledge, the morning hour be deemed expired, the Journal of proceedings be approved to date, the time for the two leaders be reserved, and the Senate then resume consideration of S. Con. Res. 18, the budget resolution; provided further that upon returning to the resolution, there be 16 hours 8 minutes remaining for each side.

The PRESIDING OFFICER. Without objection, it is so ordered.

## PROGRAM

Mr. STEVENS. Mr. President, tomorrow the leader wishes Senators to know the Senate will resume consideration of the budget resolution. We will continue the amendment process tomorrow morning. Each side will have policy luncheons tomorrow; however, the Senate may remain in session during that period. For the remainder of the day, we will continue to work through additional amendments and Senators should expect rollcall votes throughout the day and into the evening tomorrow.

## ADJOURNMENT UNTIL 9:30 A.M. TOMORROW

Mr. STEVENS. Is there any further business to come before the Senate?

If there is no further business to come before the Senate, I ask unanimous consent the Senate stand in adjournment under the previous order.

There being no objection, the Senate, at 9 p.m., adjourned until Tuesday, March 15, 2005, at 9:30 a.m.

## NOMINATIONS

Executive nominations received by the Senate March 14, 2005:

### DEPARTMENT OF AGRICULTURE

CHARLES F. CONNER, OF INDIANA, TO BE DEPUTY SECRETARY OF AGRICULTURE, VICE JAMES R. MOSLEY.

### NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

MICHAEL D. GRIFFIN, OF VIRGINIA, TO BE ADMINISTRATOR OF THE NATIONAL AERONAUTICS AND SPACE ADMINISTRATION, VICE SEAN O'KEEFE, RESIGNED.

### DEPARTMENT OF STATE

ROBERT JOSEPH, OF VIRGINIA, TO BE UNDER SECRETARY OF STATE FOR ARMS CONTROL AND INTERNATIONAL SECURITY, VICE JOHN ROBERT BOLTON.

### NATIONAL MUSEUM AND LIBRARY SERVICES BOARD

KIM WANG, OF CALIFORNIA, TO BE A MEMBER OF THE NATIONAL MUSEUM AND LIBRARY SERVICES BOARD FOR A TERM EXPIRING DECEMBER 6, 2009. (REAPPOINTMENT)

DEPARTMENT OF JUSTICE

PAUL D. CLEMENT, OF VIRGINIA, TO BE SOLICITOR GENERAL OF THE UNITED STATES, VICE THEODORE BEVRY OLSON, RESIGNED.

IN THE COAST GUARD

THE FOLLOWING INDIVIDUALS FOR APPOINTMENT AS PERMANENT COMMISSIONED REGULAR OFFICERS IN THE UNITED STATES COAST GUARD IN THE GRADES INDICATED UNDER TITLE 14, U.S.C., SECTION 211:

To be lieutenant commander

CURTIS L. SUMROK, 0000

To be lieutenant

JED R. BOBA, 0000

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADES INDICATED IN THE UNITED STATES COAST GUARD UNDER TITLE 14, U.S.C., SECTION 211:

To be commander

MICHAEL T. CUNNINGHAM, 0000  
GREGORY J. DEPINET, 0000  
BRIAN T. FISHER, 0000  
PATRICK FOLEY, 0000

To be lieutenant

JULIE Y. ANDREWS, 0000  
REBECCA L. AVERY, 0000  
KEVIN L. BARNETTE, 0000  
JON T. BARTEL, 0000  
JAMES R. BETZ, 0000  
KENNETH A. BISHOP, 0000  
JOHN D. BLOCK, 0000  
JOSHUA N. BLOCKER, 0000  
ROBERT M. BOTNER, 0000  
JON K. BRACKIN, 0000  
WILLIAM J. BROOME, 0000  
ROBERT S. BROWN, 0000  
GEORGE M. BRUHL, 0000  
DANIEL G. BUCHSBAUM, 0000  
VINCENT J. BUKOWSKI, 0000  
PHILLIP B. BURGARD, 0000  
JERRY D. BUTWID, 0000  
JAMES A. CABASE, 0000  
JOSEPH G. CALLAGHAN, 0000  
WILLARD R. CALLIHAN, 0000  
KEVIN R. CARLSON, 0000  
NICOLE M. CARTER, 0000  
HARRY W. CAULTON, 0000  
STEVEN J. CHARNON, 0000  
AMY L. COGLIANESE, 0000  
BRODIE G. COWNIE, 0000  
JEFFREY L. CRAIG, 0000  
FREDERICK C. CRAWFORD, 0000  
MICHAEL J. DAVANZO, 0000  
ELLIS G. DAVIS, 0000  
JACKY L. DEPUE, 0000  
DAVID J. DIBELLA, 0000  
RICHARD H. DIXON, 0000  
MATTHEW D. DOORIS, 0000  
CHRISTOPHER DOUGLAS, 0000  
AARON N. DOWE, 0000  
CRAIG F. DYKES, 0000  
SHAUN L. EDWARDS, 0000  
FREDERICK C. ENGLISH, 0000  
THOMAS S. EVANS, 0000  
STEVEN M. FACHKO, 0000  
KRISTOPHER S. FEGLER, 0000  
DANIEL P. GAINOR, 0000  
PATRICK J. GALLACHER, 0000  
VINCENT A. GAMMA, 0000  
DAVID R. GATES, 0000  
MICHAEL D. GERO, 0000  
FELTON L. GILMORE, 0000  
ARTHUR H. GOMEZ, 0000  
CHARLES L. GOW, 0000  
HARRY L. GREENE, 0000  
NAVIN L. GRIFFIN, 0000  
WILLIAM M. GROSSMAN, 0000  
ROBERT L. HAGGERTY, 0000  
JEFFREY W. HALL, 0000  
MARK P. HAMMOND, 0000  
SETH A. HARBAUGH, 0000  
SHANNON M. HARELSON, 0000  
THOMAS J. HARRINGTON, 0000  
RICHARD A. HARTLEY, 0000  
JOSE L. HERRADOR, 0000  
KENNETH A. HETTLER, 0000  
KURT A. HIGGINBOTHAM, 0000  
KEVIN S. HILL, 0000  
RICK R. HIPES, 0000  
LOUIS J. HODAS, 0000  
MONTREVILLE D. HOLCOMBE, 0000  
GREGORY A. HOUGHTON, 0000  
JOHN K. HOWARD, 0000  
KRISTINA R. HYNES, 0000  
PHILLIP ISON, 0000  
JOSHUA E. JARRELL, 0000  
DAVID G. JELIN, 0000  
CHARLES T. JENNINGS, 0000  
KEITH A. JERNIGAN, 0000  
MARY P. JOHNSON, 0000  
MARC A. JONES, 0000  
CHRISTOPHER F. KENDL, 0000  
DANIEL J. KENNEDY, 0000  
SCOTT R. KIRKLAND, 0000  
REED H. KOBERGER, 0000  
DONALD O. LAJAVIC, 0000  
PAUL J. LAMCZYK, 0000  
MICHAEL E. LANGSTON, 0000  
PAUL N. LAROCHE, 0000  
MARK L. LAY, 0000  
RANDEL J. LAYTON, 0000

ROBERT M. LEMONDE, 0000  
DOUGLAS R. LINCOLN, 0000  
GREGORY LOISELLE, 0000  
STEVEN M. LONG, 0000  
SCOTT E. LUGO, 0000  
HERBERT J. LUMPP, 0000  
EDWARD N. MADURA, 0000  
HECTOR L. MALDONADO, 0000  
BRYAN A. MARKLAND, 0000  
JOHN A. MARTIN, 0000  
ERIC S. MAY, 0000  
PETER A. MCCAFFREY, 0000  
JOHN A. MCCLAIN, 0000  
JOSEPH P. MCCONNELL, 0000  
WILLIAM A. MCKINSTRY, 0000  
JOHNNIE F. MESSER, 0000  
BARBARA N. MIDKIFF, 0000  
CLIFFORD W. MORRIS, 0000  
EDWARD J. MOTESLEY, 0000  
PHILIP J. MOTSAI, 0000  
ULYSSES S. MULLINS, 0000  
BRIAN J. MURPHY, 0000  
MICHAEL A. NALLI, 0000  
RICHARD T. NAMENIUK, 0000  
JEFFREY W. NOYES, 0000  
KELLY L. OSBORNE, 0000  
JOSEPH B. PARKER, 0000  
JAMES H. PERSHING, 0000  
RICHARD D. PETERSEN, 0000  
ROBERT A. PHILLIPS, 0000  
LAWRENCE R. PICCONI, 0000  
BRANDON J. PLEMONS, 0000  
KENNETH B. POOLE, 0000  
MARK B. POTOTSCHNIK, 0000  
ANTHONY P. POWELL, 0000  
STEPHEN C. PRIEBE, 0000  
DAVID C. PROHASKA, 0000  
ROBERT J. PUTANSU, 0000  
ERIC C. RAMOS, 0000  
MICHAEL G. REAGAN, 0000  
RODNEY RIOS, 0000  
ROBERTO RIVERA, 0000  
BARTON D. ROBINSON, 0000  
JACK E. ROBINSON, 0000  
ROBB M. ROBLE, 0000  
MORGAN H. ROPER, 0000  
TRACY L. ROYCE, 0000  
KUNSTLER D. RUSSELL, 0000  
MICHAEL D. RUSSELL, 0000  
PEYTON H. RUSSELL, 0000  
DENNIS M. RYAN, 0000  
MICHAEL J. SALEMI, 0000  
RACHELLE N. SAMUEL, 0000  
LUIS C. SANDOVAL, 0000  
TIMOTHY L. SCHMITZ, 0000  
JOHN A. SCHUTZENHOFER, 0000  
HILLIARD W. SEAMANS, 0000  
TAZ L. SEARS, 0000  
TESSA L. SEITZINGER, 0000  
TOM W. SHELTON, 0000  
LEONARD W. SHELTRY, 0000  
DALE V. SHEPARDSON, 0000  
TIMOTHY C. SINQUEFIELD, 0000  
KEVIN M. SLIGH, 0000  
DAVID G. SMITH, 0000  
PATRICK R. SMITH, 0000  
ROBERT W. SMYTH, 0000  
DAVID C. SOCCI, 0000  
JOSEPH H. D. SOLOMON, 0000  
GARY J. SPONHOLZ, 0000  
GLENN D. STOCKS, 0000  
MARK W. STOEGBAUER, 0000  
MICHAEL R. STONE, 0000  
KEVIN J. SULLIVAN, 0000  
MICHAEL G. TAFFE, 0000  
WILLIAM E. TAYLOR, 0000  
JAMES W. TEDTAOTAO, 0000  
CALLIE THOMAS, 0000  
DEVIN L. TOWNSEND, 0000  
STEVEN J. TUCKER, 0000  
RYAN M. WAGNER, 0000  
BRUCE WALKER, 0000  
JOHN D. WALLINGTON, 0000  
EMILY E. WARD, 0000  
BRIAN S. WARING, 0000  
CHESTER K. WARREN, 0000  
BRIAN D. WAZLAVEK, 0000  
WILLIAM F. WEINBECKER, 0000  
CHRISTOPHER A. WHITE, 0000  
SCOTT C. WHITE, 0000  
GLENN E. WHITLOW, 0000  
MICHAEL A. WILFORD, 0000  
DONNOVAN F. WILLIAMS, 0000  
WILLIAM B. WINBURN, 0000  
TRACY L. WIRTH, 0000  
PAUL H. WISNIEWSKI, 0000  
JEFFERY L. WOLFE, 0000  
GREGORY S. WOOD, 0000  
RONALD R. WRIGHT, 0000

To be lieutenant junior grade

TERESA K. ABERLE, 0000  
JOSEPH B. ABEYTA, 0000  
SHAWN K. BAILEY, 0000  
DONALD A. BALDWIN, 0000  
KEVIN M. BECK, 0000  
JOHN M. BETTENCOURT, 0000  
CHRISTOPHER S. BILLIAU, 0000  
ADAM R. BIRST, 0000  
WILLIAM K. BLAIR, 0000  
BRIAN W. BOYSTER, 0000  
KENNETH T. BOYTT, 0000  
CONNIE L. BRAESCH, 0000  
TONY L. BROGAN, 0000  
ERIC V. BROWN, 0000  
KEVIN A. BROYLES, 0000

TODD C. CANNARELLA, 0000  
CHARLES J. CLARK, 0000  
DARYL C. CLARY, 0000  
JEFFREY R. CLOSE, 0000  
ANDREW J. COLLINSON, 0000  
CHARLENE R. T. CRISS, 0000  
HAYES C. DAVIS, 0000  
ANDREW D. DEGEORGE, 0000  
JOHN R. DOEPP, 0000  
JASON D. DOLBECK, 0000  
KEITH M. DOXEY, 0000  
THOMAS E. ENGLISH, 0000  
JEFFREY P. FERLAUTO, 0000  
JOSHUA FITZGERALD, 0000  
MATTHEW L. FITZGIBBONS, 0000  
TROY E. FRYAR, 0000  
JASON M. GELFAND, 0000  
WILLIAM S. GIBSON, 0000  
DERRICK S. GREER, 0000  
ROBERT E. GRIFFIN, 0000  
STEVEN M. GRIFFIN, 0000  
JAY W. GUYER, 0000  
DAVID L. HALL, 0000  
DEREK C. HAM, 0000  
ANDREW T. HAWTHORNE, 0000  
JENNIFER L. HNATOW, 0000  
JACOB A. HOBSON, 0000  
HENRY IRIZARRY, 0000  
MATTHEW N. JONES, 0000  
SHARMINE N. JONES, 0000  
STEVEN W. KEE, 0000  
STEPHANIE M. KELLEY, 0000  
BRENT G. KENNY, 0000  
CHARLOTTE A. KEOGH, 0000  
KENNETH M. KEYSER, 0000  
RONALD J. KOOPER, 0000  
SCOTT J. KREJCI, 0000  
DONALD R. KUHLL, 0000  
JOSEPH W. KUSEK, 0000  
CRAIG S. LAWRANCE, 0000  
JOSUE MALDONADO, 0000  
AMY G. MARRS, 0000  
JOHN R. MCGOWAN, 0000  
MONICA A. MCGUIRE, 0000  
CHRISTINA MEDRANO, 0000  
DEREK H. MITCHELL, 0000  
TODD C. MOE, 0000  
MARC J. MONTEMERLO, 0000  
THERASA M. NETTESHEIM, 0000  
DAVID J. OBER, 0000  
THEDRIT PARKER, 0000  
SCOTT P. PARKURST, 0000  
JEAN A. PASCHAL, 0000  
CHRISTOPHER M. PASCUIATO, 0000  
STEVE J. PEELISH, 0000  
BARTON L. PHILPOTT, 0000  
RUSSELL T. PICKERING, 0000  
ERNEST L. PISANO, 0000  
ROBERT K. RAWLINGS, 0000  
KEVIN F. ROCKS, 0000  
CHE C. ROGERS, 0000  
MATTHEW ROONEY, 0000  
DANIEL E. ROSS, 0000  
MATTHEW W. ROWE, 0000  
MICHAEL B. RUSSELL, 0000  
DOUGLAS M. SALIK, 0000  
EVELYNN B. SAMMS, 0000  
DELFINO B. SAUCEDO, 0000  
DEON J. SCOTT, 0000  
EDWARD L. SEMLER, 0000  
LYLE R. SERBER, 0000  
KIRK C. SHADRICK, 0000  
JOSE L. SIANDRE, 0000  
IAN M. STAL, 0000  
ROBIN R. STOTZ, 0000  
ANDREW J. SWALE, 0000  
ROBERT D. TAYLOR, 0000  
LAWRENCE W. TINSTMAN, 0000  
MICHAEL R. TROTOCHAUD, 0000  
SCOTT E. WALDEN, 0000  
BURTON B. WALKUP, 0000  
MICHAEL M. WEAVER, 0000  
SCOTT O. WHALEY, 0000  
ANN M. WICKHAM, 0000  
MATTHEW E. WILL, 0000  
JOHN T. YARES, 0000  
DAVID K. YOUNG, 0000

IN THE AIR FORCE

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES AIR FORCE TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

To be general

LT. GEN. RONALD E. KEYS, 0000

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES AIR FORCE UNDER TITLE 10, U.S.C., SECTION 624:

To be colonel

REBECCA L. BROWN, 0000  
FRANK C. BUDD, 0000  
JOHN W. BULLOCK, 0000  
CHERYL E. GREGORIO, 0000  
LARRY T. KIMM, 0000  
NAOMI T. LAWLESS, 0000  
ROBERT M. LUCANIA, 0000  
DEAN L. MESSELIHNER, 0000  
DANIEL P. NAUGHTON, 0000  
DONALD L. NOAH, 0000  
ALAN L. PETERSON, 0000  
PATRICIA A. REILLY, 0000  
MARK H. SMITH, 0000

JOANNE M. SPAHN, 0000  
RONALD G. STEELE, 0000  
RICHARD E. VANARSDAL, 0000  
DULCIE A. WEISMAN, 0000  
DAWN E. WILSON, 0000

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES AIR FORCE UNDER TITLE 10, U.S.C., SECTION 624:

*To be colonel*

DENNIS L. BEATTY, 0000  
JAMES M. DAVIS, JR., 0000  
PAUL D. GOVEN, 0000  
JULIE A. HALL, 0000  
KENT R. HELWIG, 0000  
BRADLEY P. HERREMANS, 0000  
JEFFREY S. KIDD, 0000  
ANTHONY S. LONGRO, 0000  
STEPHEN A. MACHESKY, 0000  
JOANNE P. MCPHERSON, 0000  
DIANE M. REESE, 0000  
LANE T. ROGERS, 0000  
MICHAEL G. SCHELL, 0000

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES AIR FORCE UNDER TITLE 10, U.S.C., SECTION 624:

*To be colonel*

THOMAS L. BLASE, 0000  
SCOTT R. GARDNER, 0000  
STEVEN E. KEITH, 0000  
DAVID L. MORROW, 0000  
RICHARD F. MUNSELL, 0000  
LEON D. PAGE, SR., 0000  
GARY R. PERRY, 0000  
CHARLIE R. STUTTS, 0000  
CARL J. SWANSON, 0000  
GREGORY L. TATE, 0000

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES AIR FORCE UNDER TITLE 10, U.S.C., SECTION 624:

*To be colonel*

GARY D. BROWN, 0000  
GERALD R. BRUCE, 0000  
RODGER A. DREW, JR., 0000  
ERIC N. EKLUND, 0000  
JODY A. EVANS, 0000  
PHILLIP D. GRISSOM, 0000  
NIKKI A. HALL, 0000  
MARY E. HARNEY, 0000  
CHRISTOPHER C. LOZO, 0000  
SCOTT R. MARTIN, 0000  
JAMES B. ROAN, 0000  
MICHAEL A. RODGERS, 0000  
PETER J. SEEBECK, 0000  
ROBERT I. SMITH, 0000  
PATRICK E. TOLAN, JR., 0000  
NEIL S. WHITEMAN, 0000  
JEFFREY P. WILCOX, 0000  
STEPHEN R. WOODY, 0000  
LARRY D. YOUNGNER, 0000

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES AIR FORCE UNDER TITLE 10, U.S.C., SECTION 624:

*To be colonel*

DONNELL E. ADAMS, 0000  
MICHAEL E. ADAMS, 0000  
MERRIL J. ALLISON, JR., 0000  
JOHN C. ALLISON, 0000  
MARK A. ALTOBELLI, 0000  
STEVEN L. AMATO, 0000  
JOHN M. AMDON, 0000  
E. WEST ANDERSON, 0000  
PHILIP R. ANDREWS, 0000  
MICHAEL P. ARCENEVAUX, 0000  
LEE J. ARCHAMBAULT, 0000  
JAMES R. AYERS, 0000  
CHRISTOPHER B. AYRES, 0000  
VALENTINO BAGNANI III, 0000  
NORMAN J. BALCHUNAS, JR., 0000  
LYNNE E. BALDRICHI, 0000  
DANIEL F. BALTRUSAITIS, 0000  
ROBERT G. BARLOW, 0000  
PATRICK BARNES, 0000  
RUSSELL C. BARNES, 0000  
JAMES A. BARR, 0000  
ROBERT K. BARRY, 0000  
CHARLES J. BARTLETT, 0000  
SUZANNE M. BEERS, 0000  
PAUL G. BELL, 0000  
CHRISTOPHER J. BENCE, 0000  
NANNETTE BENITEZ, 0000  
RICKY B. BENNETT, 0000  
THOMAS A. BERGHOFF, 0000  
JOHN C. BERRY, 0000  
KEVIN T. BETZ, 0000  
JUDITH D. BITTICK, 0000  
BRIAN M. BJORNSTAN, 0000  
LESLIE A. BLACKHAM, 0000  
DANIEL C. BLAETTILER, 0000  
HARRY H. BLANKIE III, 0000  
CARL H. BLOCK, 0000  
MARK D. BONTRAGER, 0000  
JOHN K. BORLAND, 0000  
KARL S. BOSWORTH, 0000  
MICHAEL T. BREWER, 0000  
MICHAEL D. BRICE, 0000  
JACK L. BRIGGS II, 0000  
MONTY L. BROCK, 0000  
GREGORY N. BRODMAN, 0000  
FRANCIS M. BROWN, 0000  
MARK A. BROWN, 0000

MICHAEL P. BRYANT, 0000  
MARK A. BUCCIGROSSI, 0000  
KEVIN W. BUCKLEY, 0000  
RICHARD J. BURGESS, 0000  
MARK E. BURNS, 0000  
ROBERT F. BUSSIAN, 0000  
RUDOLPH T. BYRNE, 0000  
ANDREW S. CAIN, 0000  
MICHAEL G. CALDWELL, 0000  
MICHAEL A. CANNA, 0000  
JOHN E. CANNADAY III, 0000  
LOUIS A. CAPORICCI, 0000  
THOMAS C. CARTER, 0000  
PETER H. CASTOR, 0000  
RONALD J. CELENTANO, 0000  
JAMES J. CHAMBERS, JR., 0000  
PATRICK W. CHRISTOPHERSON, 0000  
DAN L. CLARK, 0000  
STEPHEN A. CLARK, 0000  
JOHN G. CLARKE, 0000  
KAREN A. CLEARY, 0000  
JAMES D. CLIFTON, 0000  
JOHN C. COLOMBO, 0000  
CURTIS C. CONNELL, 0000  
KENNETH C. COONS, JR., 0000  
RAYMOND C. CORCORAN, 0000  
CHARLES P. CORLEY, 0000  
JOAN H. CORNUET, 0000  
CHARLES D. CORPMAN, 0000  
JOHN F. COSTA, JR., 0000  
GERALD R. COSTELLO, 0000  
FRANCIS COX, 0000  
RODNEY L. CROSLIN, 0000  
CRAIG A. CROXTON, 0000  
KEITH R. CUNNINGHAM, 0000  
GERALD D. CURRY, 0000  
BRIAN P. CUTTS, 0000  
LINDA J. DAHL, 0000  
DENNIS E. DALEY, 0000  
PETER D. DAVIDSON, 0000  
WILLIAM T. DAVIDSON, JR., 0000  
DONNIE G. DAVIS, JR., 0000  
MARK L. DAVIS, 0000  
MICHAEL D. DAVIS, 0000  
SHUGATO S. DAVIS, 0000  
KEVIN D. DEGNAN, 0000  
WILLIAM P. DELANEY, 0000  
SCOTT L. DENNIS, 0000  
DAVID M. DENOFRIO, 0000  
JAMES L. DEW, JR., 0000  
STEVE G. DIDOMENICO, 0000  
GREG R. DODSON, 0000  
ROBERT A. DOMINGUEZ, 0000  
JOHN T. DONESKI, 0000  
JOHN W. DOUCETTE, 0000  
SAMUEL R. DOUGLAS, 0000  
GREGORY F. DRAGOW, 0000  
ROBERT J. EGBERT, 0000  
JOHN M. EAGENTOWICH, 0000  
PETER S.H. ELLIS, 0000  
BRUCE C. EMIG, 0000  
MARK D. ENGEMAN, 0000  
JON L. ENGLE, 0000  
CHARLES M. ENNIS, JR., 0000  
DOUGLAS H. FEHRMANN, 0000  
THOMAS J. FELDHUSEN, 0000  
DANIEL R. FERNANDEZ, 0000  
KENNETH H. FIELDING, 0000  
FRANK E. FIELDS, 0000  
EDWARD A. FIENGA, 0000  
STEPHEN M. FISHER, 0000  
BRIAN R. FOLEY, 0000  
JOHN K. FORSTHE, JR., 0000  
BOBBY G. FOWLER, 0000  
TIMOTHY J. FOWLER, 0000  
DEAN G. FOX, 0000  
ERIC E. FOX, 0000  
JOHN H. FRANZ, 0000  
TIM B. FREEMAN, 0000  
GERALD J. FRISBEE, 0000  
JACKIE J. FRISBY GRIFFIN, 0000  
THOMAS B. FROONINCKX, 0000  
ALGENE FRYER, 0000  
CLAUDE V. FULLER, JR., 0000  
BRYAN J. GALLAGHER, 0000  
RONALD J. GARAN, JR., 0000  
WONZIE L. GARDNER, JR., 0000  
ROBERT F. GASS, 0000  
CEDRIC D. GEORGE, 0000  
DONALD S. GEORGE, 0000  
ROBERT P. GIVENS, 0000  
DAVID M. GLOGOWSKI, 0000  
THOMAS W. GOPFUS, 0000  
LIESEL A. GOLDEN, 0000  
GARY P. GOLDSTONE, 0000  
GERALD S. GOLDMAN, 0000  
THOMAS F. GOULD, 0000  
JENNIFER L. GRAHAM, 0000  
SOCRATES L. GREENE, 0000  
DANIEL G. GRESCHEN, 0000  
VIRGIL A. GROGAN II, 0000  
MICHAEL J. GUIDRY, 0000  
MICK R. GUTHALS, 0000  
GARY M. GUTOWSKY, 0000  
PAUL W. GYDESEN, 0000  
CHRIS E. HAIR, 0000  
STEVEN E. HAMMOCK, 0000  
TODD P. HARMER, 0000  
BRUCE F. HARMON, 0000  
JEFFREY L. HARRIGAN, 0000  
DAVID A. HARRIS, 0000  
JERRY D. HARRIS, JR., 0000  
RAY P. HARRIS, 0000  
WILLIAM S. HARRIS, 0000  
JAMES A. HARBOLD, 0000  
ROBERT J. HARTNETT, JR., 0000  
TINA M. HARVEY, 0000

MICHAEL R. HASS, 0000  
ARTHUR G. HATCHER, JR., 0000  
DARYL J. HAUCK, 0000  
THOMAS Y. HEADEN, 0000  
JOEL C. HECK, 0000  
BART H. HEDLEY, 0000  
WARD E. HEINKE, 0000  
ANTHONY L. HENDERSON, 0000  
SCOTT A. HENDERSON, 0000  
GEORGE M. HENKEL, 0000  
EUGENE H. HENRY, 0000  
MARK S. HERSHMAN, 0000  
GARY D. HETLAND, 0000  
JOHN M. HICKS, 0000  
KYLE E. HICKS, 0000  
MANUEL A. HIDALGO, 0000  
CLEOPHAS S. HOCKADAY, JR., 0000  
RICHARD E. HOFERKAMP, 0000  
JEFFREY A. HOFFER, 0000  
ROBERT K. HOFFMANN, 0000  
WILLIAM E. HOGAN, 0000  
MELVIN A. HOLLAND III, 0000  
MICHAEL A. HOMAN, 0000  
GARY L. HOPPER, 0000  
LELAND R. HOPSON, 0000  
ANNE T. HOUSEAL, 0000  
MARILYN H. HOWE, 0000  
BENJAMIN J. HULSEY III, 0000  
DAVID M. HUSBAND, 0000  
STEPHEN L. HUTCHENS, 0000  
OTTIS L. HUTCHINSON, JR., 0000  
WINTHROP C. IDLE, 0000  
JOHN R. INGHAM, 0000  
KEVIN E. JACKSON, 0000  
LISA A. JACQUES, 0000  
ROBERT Q. JENKINS, 0000  
HERMAN O. JETT, 0000  
DAVID L. JOHANSEN, 0000  
BRENT A. JOHNSON, 0000  
DANIEL R. JOHNSON, 0000  
GREGORY H. JOHNSON, 0000  
JAMES C. JOHNSON, 0000  
KARL B. JOHNSON, 0000  
TERRY L. JOHNSON, 0000  
CHRISTOPHER A. JONES, 0000  
DAVID L. JONES, 0000  
FRANK E. JONES, 0000  
JACK L. JONES, 0000  
STEPHEN R. JONES, 0000  
MICHAEL JOY, 0000  
KURT J. KAISLER, 0000  
JAMES R. KASMER, 0000  
EDWARD KEEGAN, 0000  
RICHARD C. KELLOGG, 0000  
DOUGLAS L. KENDALL, 0000  
MICHAEL W. KENNEDY, 0000  
VAN D. KEPPLEY, JR., 0000  
MICAH E. KILLION, 0000  
MAURICE L. KILPATRICK, JR., 0000  
DEBORAH A. KIRKHOFF, 0000  
MICHAEL R. KIRPES, 0000  
ERIC A. KIVI, 0000  
GARY W. KLABUNDE, 0000  
DENISE D. KLOEPEL, 0000  
WILLIAM A. KOLAKOWSKI, 0000  
RICHARD A. KOSANKE, 0000  
STEWART J. KOWALL, 0000  
JOHN H. KRESEK, JR., 0000  
MARK S. KROSS, 0000  
DANA C. KUECKER, 0000  
ROBBY A. KYROUAC, 0000  
THOMAS M. LAFFEY, 0000  
ROBERT A. LALA, 0000  
RAYMOND E. LAMARCHE, JR., 0000  
ANITA E. LATIN, 0000  
THOMAS J. LAWHEAD, JR., 0000  
BENJAMIN C. LEITZEL, 0000  
BETTIE M. LENGTEL, 0000  
GREGORY J. LENGTEL, 0000  
LEE K. LEVY II, 0000  
JOHN LIPINSKI, 0000  
RICKY J. LOCOSTRO, 0000  
SCOTT C. LOCKARD, 0000  
JOHN R. LOHR, 0000  
MARK J. LORENZ, 0000  
ANDRE L. LOVETT, 0000  
RAY DON LOWE II, 0000  
RONALD P. LOWTHER, 0000  
DAVID E. LUCIA, 0000  
STEPHEN P. LUXION, 0000  
BRIAN D. MAAS, 0000  
ROBERT J. MACDONALD, 0000  
ROBERT W. MAHOOD, 0000  
RICHARD L. MALLICK, 0000  
JAMES E. MANKER, JR., 0000  
CHAD T. MANSKE, 0000  
HOWARD K. MARDIS, 0000  
JOHN E. MARSELUS, 0000  
LAWRENCE M. MARTIN, JR., 0000  
LESLIE C. MARTIN, 0000  
DAVID W. MARTINEZ, 0000  
ERIC S. MATHEWSON, 0000  
SCOTT G. MAW, 0000  
GARY D. MCALUM, 0000  
PETER M. MCCABE, 0000  
JOHN M. MCCAIN, 0000  
BRUCE H. MCCLEINTOCK, 0000  
DAVID B. MCCORMICK, 0000  
GARVIN A. MCCGETTRICK, 0000  
PAUL D. MCINTOSH, 0000  
JOHN K. MCMULLEN, 0000  
MARTHA A. MEEKES, 0000  
GREGORY L. MELTO, 0000  
MARK A. MELVILLE, 0000  
MICHAEL R. MENDONCA, 0000  
ALAN R. MIETZLER, 0000  
JAMES D. MILBURN, 0000

CHARLES B. MILLER, 0000  
DOUGLAS W. MILLER, 0000  
RANDOLPH P. MILLER, 0000  
ZANE W. MITCHELL, JR., 0000  
EUGENE W. MITTUCH, 0000  
TIMOTHY S. MOORE, 0000  
DANIEL P. MORIN, 0000  
ANNE R. MORRIS, 0000  
MICHAEL F. MORRIS, 0000  
GARY P. MORRISON, 0000  
DARRELL S. MOSLEY, 0000  
JAMES C. MOUTON, 0000  
MARK W. MOUW, 0000  
PATRICK O. MOYLAN, 0000  
RONALD J. MOZZILLO, 0000  
BRIAN K. MURRAY, 0000  
JEFFREY M. MURRAY, 0000  
ERIC L. NELSON, 0000  
JOSEPH W. NICHOLS, 0000  
STEPHEN J. NIEMANTSVERDRIET, 0000  
BRIAN S. NORMAN, 0000  
JON A. NORMAN, 0000  
ALAN J. NORTHROP, 0000  
KEVIN W. NORTON, 0000  
JAMES H. OGDEN, 0000  
ROBERT C. ONEAL, 0000  
ROBERT C. PALMER, 0000  
GUY M. PALUMBO, 0000  
DENNIS B. PANNELL, 0000  
JOHN B. PARKES III, 0000  
MICHAEL W. PEEL, 0000  
DAVID C. PENNY, 0000  
JOHN J. PERICAS, 0000  
GREGORY M. PERKINSON, 0000  
MARY E. PETERSON, 0000  
KURT P. PFITZNER, 0000  
CURTIS O. PIONTKOWSKY, 0000  
JOHN M. PLETCHER, 0000  
MARK A. POHLMEIER, 0000  
CHRISTOPHER J. POOCK, 0000  
PAUL A. PRICE, 0000  
MICKEY L. QUINTRALL, 0000  
RICHARD J. RAGALLER, 0000  
TAMRA L. RANK, 0000  
ANDREW M. REDMOND, 0000  
BRADFORD M. REINERT, SR., 0000  
BRADY R. REITZ, 0000  
DAVID L. REYNOLDS, 0000  
BRENT A. RICHERT, 0000  
BRET G. RIDER, 0000  
GILBERTO G. RIOS, 0000  
KEVIN D. ROSS, 0000  
TERRY L. ROSS, 0000  
CONSTANCE M. ROTHER, 0000  
JAMES D. RUSSELL, JR., 0000  
PATRICK E. RYAN, 0000  
HENRY J. SANTICOLA, 0000  
NORMAN P. SCHAEFER, 0000  
KURT W. SCHAKE, 0000  
MARGARET E. SCHALCH, 0000  
JEFFREY E. SCHMIDT, 0000  
MARK J. SCHMITZ, 0000  
ERIC J. SCHNITZER, 0000  
PHILIP M. SENNA, 0000  
JOSEPH R. SHANNAHAN, 0000  
THOMAS J. SHARPY, 0000  
MICHAEL R. SHAW, 0000  
STEPHEN E. SHEA, 0000  
STEPHEN P. SHEEHY, 0000  
CURTIS L. SHELDON, 0000  
SCOTT F. SHEPHERD, 0000  
WILLIAM L. SHERMAN, 0000  
LUKE A. SHINGLEDECKER, 0000  
STEVEN E. SHINKLE, 0000  
BILLY R. SHRADER, 0000  
DENNIS W. SHUMAKER, 0000  
BRADFORD J. SHWEDO, 0000  
KIMBERLY B. SIEVERS, 0000  
MARK A. SIMON, 0000  
PHILIP S. SIMONSEN, 0000  
JAMES L. SISSON, 0000  
ROBERT J. SKINNER, 0000  
DAVID A. SLADE, 0000  
JAMES C. SLIFE, 0000  
ANTHONY J. SMITH, 0000  
BRADLEY J. SMITH, 0000  
BRIAN K. SMITH, 0000  
GARLAND D. SMITH, 0000  
PATRICK J. SMITH, 0000  
THOMAS H. SMITH, JR., 0000  
TIMOTHY S. SMITH, 0000  
CURT D. SMOLINSKY, 0000  
JAMILYN J. SMYSER, 0000  
JOHN W. SNODGRASS, 0000  
JAMES T. SOHAN, 0000  
VIC A. SOWERS, 0000

HAROLD L. SPRINGS, JR., 0000  
KENNETH T. STEFANEK, 0000  
CHARLES B. STILL, 0000  
JOHN G. STIZZA, 0000  
DANIEL W. STOCKTON, 0000  
RICHARD B. STONESTREET, 0000  
MARC F. STRATTON, 0000  
JAMES H. STRICKLER, JR., 0000  
RICHARD M. STUCKEY, 0000  
JON C. SUTTER, 0000  
MATTHEW D. SWANSON, 0000  
ROBERT W. SWISHER, 0000  
MICHAEL E. TALLENT, 0000  
MARK S. TALLEY, 0000  
DONALD D. THARP, 0000  
ERIC E. THEISEN, 0000  
MICHAEL H. THORNTON, 0000  
ROGER D. THRASHER, 0000  
DAVID L. TIMM, 0000  
GREGORY S. TIMS, 0000  
TERRI L. TOPPIN, 0000  
CAMERON W. TORRENS, 0000  
HENRY TOUSSAINT, 0000  
DARRYL G. TREAT, 0000  
MONA LISA D. TUCKER, 0000  
RANDY B. TYMOPICHUK, 0000  
DAVID R. UZZELL, 0000  
SCOTT C. VANBLARCUM, 0000  
STAN L. VANDERWERF, 0000  
JAMES C. VECHERY, 0000  
DAVID VEGA, 0000  
STEVEN J. WALKER, 0000  
JOSEPH T. WALROND, 0000  
MARK D. WARD, 0000  
CHARLES L. WEBB III, 0000  
JAMES M. WEBER, 0000  
THOMAS M. WEBSTER, JR., 0000  
CHRISTOPHER P. WEGGEMAN, 0000  
GEORGE E. WEIL, 0000  
JAMES R. WEIMER, 0000  
MICHAEL F. WELCH, 0000  
SUZANNE O. WELLS, 0000  
BRUCE A. WEST, 0000  
ROBERT J. WEST, 0000  
JOEL S. WESTA, 0000  
MARK W. WESTERGREN, 0000  
EDWARD B. WESTERMANN, 0000  
TODD C. WESTHAUSER, 0000  
KEITH R. WEYENBERG, 0000  
JEFFREY D. WHITE, 0000  
JOHN W. WHITE, 0000  
STEPHEN N. WHITING, 0000  
RONALD C. WIEGAND, 0000  
WILLIAM WIGNALL, 0000  
DONALD R. WILHITE, 0000  
THOMAS L. WILLIAMS, 0000  
BURKE E. WILSON, 0000  
STEVEN W. WINTERS, 0000  
JAMES S. WOLCOTT, 0000  
ROBERT R. WOODLEY, 0000  
TYRONE M. WOODYARD, 0000  
DANIEL WOOLEVER, 0000  
MICHAEL S. WOOLLEY, 0000  
FRANCIS V. XAVIER, 0000  
ROBERT A. YAHN, JR., 0000  
DENNIS D. YATES, 0000  
BRIAN D. YOLITZ, 0000  
DANIEL J. ZALEWSKI, 0000

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES AIR FORCE AND FOR UNDER TITLE 10, U.S.C., SECTION 624:

*To be lieutenant colonel*

PHILIP A. BARKER, 0000  
LORENZO L. BOLDEN, JR., 0000  
GARY R. BREIG, 0000  
WENDELL L. BRENNEMAN, 0000  
CHARLES R. CORNELISSE, 0000  
DONDI E. COSTIN, 0000  
DAVID M. FITZPATRICK, 0000  
MICHAEL H. HEUER, 0000  
MICHAEL A. MOORE, 0000  
WESTON H. WALKER, 0000  
ROBERT W. WIDO, JR., 0000  
DONALD R. WILSON, 0000

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES AIR FORCE AND FOR REGULAR APPOINTMENT (IDENTIFIED BY AN ASTERISK (\*)) UNDER TITLE 10, U.S.C., SECTIONS 624 AND 531:

*To be lieutenant colonel*

JOSEPH J. AIGNERVAROZ, 0000  
MICHAEL S. BURKE, 0000  
MICHAEL D. DIETZ, 0000

BRENT J. ERICKSON, 0000  
LAURA L. GARNER, 0000  
BONNIE E. GOODALE, 0000  
JULIA R. GOODE, 0000  
FREDERICK H. GRANTHAM, 0000  
NORMAN T. GREENLEE, 0000  
STEPHEN E. GREENTREE, 0000  
SCOTT A. HALE, 0000  
JEROME J. HYZY, JR., 0000  
DAVID L. JOHNSON, 0000  
JOHL K. KLEIN, 0000  
LISA A. MCKINNEY, 0000  
DANIEL S. MCNULTY, 0000  
CHRISTOPHER L. \* MORGAN, 0000  
STEPHEN M. MOUNTS, 0000  
LARRY V. PARSONS, 0000  
SHEILA R. ROBINSON, 0000  
STEPHEN P. SALES, 0000  
CRAIG S. STANALAND, 0000  
DOREEN F. WILDER, 0000

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES AIR FORCE AND FOR REGULAR APPOINTMENT (IDENTIFIED BY AN ASTERISK (\*)) UNDER TITLE 10, U.S.C., SECTIONS 624 AND 531:

*To be lieutenant colonel*

CALVIN N. ANDERSON, 0000  
MARGARETE P. \* ASHMORE, 0000  
JIMMY L. BARDIN, 0000  
BRADLEY L. BELL, 0000  
DIANA BERG, 0000  
NATHAN M. BERMAN, 0000  
ROBERT S. BLACK, 0000  
VINCENT M. BUQUICCHIO, 0000  
FRANZISKA J. CHOPP, 0000  
DON M. CHRISTENSEN, 0000  
ROBERT J. DRONE, 0000  
DONALD R. ELLER, JR., 0000  
LAURA FELTMAN, 0000  
JENNIFER L. GRIMM, 0000  
RICHARD E. \* GROVE, JR., 0000  
JUAN C. GUERRERO, 0000  
MARK A. HATCH, 0000  
KRISTINE M. KJEK, 0000  
CHARLES C. KILLION, 0000  
ROBIN P. KIMMELMAN, 0000  
GARY M. KRAMER, 0000  
DANIEL G. LEMIEUX, 0000  
ROBERT L. MAY, JR., 0000  
JOE W. MOORE, 0000  
BRYNN P. MORGAN, 0000  
HEATHER L. \* OSTERHAUS, 0000  
DAVID W. PENCZAR, 0000  
MARK D. POLLARD, 0000  
ROBERT A. RAMEY, 0000  
MICHELLE L.K. RAVEN, 0000  
J. EMMANUEL I. SANTA TERESA, 0000  
BARBARA E. \* SHESTKO, 0000  
GLENN P. SMITH, 0000  
JENNIFER J. SNIDER, 0000  
DAVID R. SNYDER, 0000  
VANCE H. SPATH, 0000  
SARAJANE STENTON, 0000  
SUSAN L. TURLEY, 0000  
JOHN K. WEIS, 0000  
ROGER M. WELSH, 0000  
MICHELE R. ZELLERS, 0000

IN THE ARMY

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES ARMY AS CHAPLAINS UNDER TITLE 10, U.S.C., SECTIONS 624 AND 3064:

*To be colonel*

BARRY D. BOWDEN, 0000  
DAVID J. COLWELL, 0000  
JOHN J. COOK III, 0000  
GLENN S. DAVIS, 0000  
GORDON G. GROSECLOSE, 0000  
DAVID A. KENEHAN, 0000  
DAVID C. MORAN, 0000  
MITCHELL L. MORTON, 0000  
DANIEL M. PARKER, 0000  
JOHN D. READ, 0000  
GARY K. SEXTON, 0000  
THOMAS C. VAIL, 0000  
CRAIG N. WILEY, 0000

IN THE MARINE CORPS

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES MARINE CORPS UNDER TITLE 10, U.S.C., SECTION 624:

## EXTENSIONS OF REMARKS

### TRIBUTE TO COLONEL PETE BUNCE

#### HON. J. DENNIS HASTERT

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Monday, March 14, 2005*

Mr. HASTERT. Mr. Speaker, I rise today to pay tribute and offer my personal thanks to Colonel Peter J. Bunce of the United States Air Force, for a job well done.

Many of us in Congress know Colonel Bunce, who for the past six years has worked as the Air Forces liaison to the House and then as liaison to the Budget and Appropriations Committees for both Chambers. I have traveled on international congressional delegations with Pete on numerous occasions, and in every case, his skill and attention to detail ensured a flawless CODEL. In addition, Pete has fostered a new level of excellence in communications between the Congress and the Pentagon on policy matters within his portfolio.

Colonel Bunce has served in this role at a very critical time in our Nation's history, keeping us advised about, and facilitating congressional visits to, our brave service men and women in Operations Allied Force, Enduring Freedom and Iraqi Freedom. His efforts have been instrumental in keeping Members and staff aware of the costs and sacrifices of our military personnel as we prosecute and win this Global War on Terrorism. Pete knows these sacrifices first-hand. As many of my colleagues know, Peter's son Justin, a brave marine, was critically injured while defending our freedom in Iraq. We wish Justin a speedy recovery.

While I have relied on Pete's military advice, I have valued his friendship even more, and I know many of my colleagues on Capitol Hill share in that sentiment. In this regard, I wanted Colonel Bunce to know that each of us in Congress who have known and worked with him wish Pete and his family the very best and Godspeed in all his future endeavors.

### TRIBUTE TO J. MICHAEL BISHOP ON THE RECEIPT OF HIS NATIONAL MEDAL OF SCIENCE

#### TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Monday, March 14, 2005*

Mr. LANTOS. Mr. Speaker, I rise to pay tribute to J. Michael Bishop, the Chancellor of the University of California, San Francisco, which is located in my Congressional district, on his receiving the National Medal of Science. Chancellor Bishop, one of the 2003 National Medal of Science winners, will receive his medal in a ceremony in the East Room of the White House today. He and the other recipients are being honored for their devotion to advancing our knowledge of science.

The National Medal of Science was established in 1959 as a Presidential Award to be

given to individuals "deserving of special recognition by reason of their outstanding contributions to knowledge in the physical, biological, mathematical, or engineering sciences." Congress later expanded this recognition to include the social and behavioral sciences. The National Science Foundation, an independent federal agency, administers this honor, the highest award in science given by the United States.

Mr. Speaker, Chancellor Bishop's biography truly reads like a Horatio Alger tale. He spent the first eight years of his educational life in a two-room schoolhouse in rural Pennsylvania and graduated from high school as part of a class of 80 students. He entered Gettysburg College hoping to become a doctor, but by the time of graduation he didn't think he wanted to practice medicine. However, he was interested in becoming an educator and after entering Harvard Medical School he knew he found his calling in research.

Since then Chancellor Bishop has distinguished himself in the biomedical field. Thirty six years ago, he chose to take an assistant professorship at a relatively new college on the west coast. He has not left the University of California, San Francisco since. He started as an assistant professor of microbiology and immunology working on the replication of poliovirus, but it was his work in oncology that led to the discovery of proto-oncogenes, normal genes that can be converted to cancer genes by genetic damage. He became the eighth chancellor of the University of California, San Francisco in July of 1998.

Mr. Speaker, I am proud to represent a part of the Bay Area, home to some of the finest schools in the nation. Proof of which can be seen in the fact that three of the eight recipients of the 2003 National Medal of Science work at schools in the Bay Area. In addition to Chancellor Bishop, Charles Yanofsky, of Stanford University, won an award for the biological sciences, and John Prausnitz of the University of California at Berkeley, was awarded a medal for engineering.

Mr. Speaker, in an area of the world which is home to some of the best and brightest minds in the world, Chancellor J. Michael Bishop stands at the top. This extraordinary academic and exceptional human being fully deserves to be honored by our nation for his work in oncology. It is my hope, and I am sure it is the hope of all of our colleagues Mr. Speaker, that one day his research will lead to a cure for cancer. I am delighted to pay tribute to Chancellor J. Michael Bishop on the day of his receipt of the National Medal of Science.

### RECOGNIZING JUSTIN LOWE WINNER OF TEXAS VALUES VISUAL ARTS COMPETITION

#### HON. MICHAEL C. BURGESS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

*Monday, March 14, 2005*

Mr. BURGESS. Mr. Speaker, I rise today to commend Justin Lowe, a senior at Lewisville High School, located in the 26th Congressional District of Texas, for being one of the three winners of the Texas Values Arts Competition.

This is truly an outstanding accomplishment for Justin. More than 250 students from Plano, Denton, Lewisville and surrounding communities entered the contest. Diversity, History and Indivisibility were the chosen Texas Values featured in the winning artworks from North Texas students. Justin earned a U.S. Savings Bond from Huffines Auto Dealership.

Justin's art is now on a billboard going southbound on I-35E next to the Huffines dealership. Justin displayed his Texas pride with bluebonnets, the Alamo, and the Texas State flag in his painting. His piece will be up all through March for National Youth Art Month. The original was sold for \$800 at the Lewisville Education Foundation gala in November of 2005.

Justin Lowe's talents are not only a testament to his artistic skill but also a stellar example of how parents' and teachers' efforts are rewarded when combining a core curriculum with study in the arts. I am proud of the education system in Texas, especially our students, and involved parents and teachers at Lewisville High School, who commit their lives and time to fostering growth of our communities. And I wanted to extend a special thank you to Huffines Automotive for their generous contribution to these aspiring students.

### IN HONOR OF GLENDALE ADVENTIST MEDICAL CENTER'S 100TH ANNIVERSARY

#### HON. ADAM B. SCHIFF

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Monday, March 14, 2005*

Mr. SCHIFF. Mr. Speaker, I rise today to congratulate Glendale Adventist Medical Center for a century of providing outstanding health care services to the City of Glendale and surrounding communities.

Glendale Adventist Medical Center was founded on a tradition of faith-based health care. Its mission has been to educate the community about the link between health and lifestyle decisions and to provide compassionate, professional health care services for the whole person—body, mind, and spirit.

Glendale Adventist Medical Center has been offering families excellent health care for more than one hundred years. The hospital

• This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

provides care not just within its walls, but throughout the community—in churches, schools, workplaces, and homes. The hospital is proud of the relationships it has fortified throughout the years with local organizations, groups, and individuals. Through the unified strength of these partnerships, Glendale Adventist continues its primary focus of meeting the health needs of our communities.

I ask all Members of Congress to join me today to congratulate Glendale Adventist Medical Center for 100 years of exemplary public service, and for its immense commitment to the health and well-being of the City of Glendale and its residents.

HONORING MR. DON SNYDER

**HON. JON C. PORTER**

OF NEVADA

IN THE HOUSE OF REPRESENTATIVES

*Monday, March 14, 2005*

Mr. PORTER. Mr. Speaker, I rise today to honor the contributions of a great Nevadan, Mr. Don Snyder.

For many years, I have not only known Don through his professional work with Boyd Gaming, but also as a friend. Don has had quite a career, working for the First Interstate Bank of Nevada for 22 years before taking the helm of the Fremont Street Experience as President and Chief Executive Officer and then moving on to Boyd Gaming, where he will be retiring as President of the Company. That's quite a career path for any person, and I congratulate him.

Don's leadership in the Las Vegas community will certainly be felt for many generations, and all Southern Nevadans owe him a debt of gratitude. Don has been instrumental in redeveloping Downtown Las Vegas, effectively giving Downtown the breath of new life in an area that is so important for the history of our great city. He has also been incredibly effective in leading Boyd Gaming, and I know he will be missed there.

During his busy career, Don has been active in such organizations as the Nevada Development Authority, the Las Vegas Convention and Visitors Authority, the Las Vegas Performing Arts Center Foundation, United Way of Southern Nevada, Nathan Adelson Hospice, and the Tournament Players Club at Summerlin. The sky is the limit for Don, and I am looking forward to hearing about his next endeavors.

Mr. Speaker, I would like to thank my friend, Don Snyder, for being an example for all Nevadans as we continue to be the Entertainment Capital of the World.

TRIBUTE TO CAPTAIN KEVIN P. MILLER, USN

**HON. JEFF MILLER**

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

*Monday, March 14, 2005*

Mr. MILLER of Florida. Mr. Speaker, I rise today to recognize and say farewell to an outstanding Naval Officer, Captain Kevin P. Miller, as he prepares to retire upon completion of 24 years of distinguished service. It is a privilege for me to honor his achievements

and commend him for his devotion to the Navy and our great Nation. Captain Miller was commissioned as an Ensign in the United States Navy in 1981 and subsequently reported to Naval Air Station Pensacola for flight training in November of that year. In August 1983 he had earned the prestigious designation of a Naval Aviator.

Upon completion of A-7E Corsair II replacement pilot training, he reported to the "Marauders" of VA-82 completing two deployments to the Mediterranean Sea and one mini-deployment to the Norwegian Sea in USS *Nimitz* (CVN-68). In October 1987 Captain Miller joined the "Gladiators" of VFA-106, where he served with great distinction as Training Landing Signal Officer and Carrier Qualification Phase Head.

In October 1990, as a result of his superb leadership, Captain Miller was directed to serve on the staff of Commander, Carrier Air Wing Seven embarked in USS *Dwight D. Eisenhower* (CVN-69) where he made enormously successful deployments in *Ike* to the Mediterranean, Indian Ocean, Arabian Gulf, and Norwegian Sea. Assuming greater responsibilities with each passing assignment, he then reported to the "Wildcats" of VFA-131 where he served in four different department head billets culminating in an embarked tour in USS *George Washington* (CVN-73) during her Maiden Deployment in 1994. His personal contributions led to VFA-131 earning the Estocin Award as the Navy's top strike-fighter squadron and recognition from the Chief of Naval Operations for an unmatched safety record.

After serving ashore on the staff of Commander, First Air Force/Continental NORAD Region at Tyndall Air Force Base he once again reported for duty afloat to the "Gunslingers" of VFA-105 aboard USS *Theodore Roosevelt* (CVN-71) assuming command of the squadron in September 1998. He deployed two months later aboard USS *Enterprise* (CVN-65S), participating in combat during Operations Desert Fox and Southern Watch. Following his command tour he earned a Masters Degree in National Security and Strategic Studies from the Naval War College and served on the CNO's staff as Strike Warfare Policy Officer. With many successful sea and shore tours behind him, Captain Miller culminated his career in the Navy's Office of Legislative Affairs as a highly effective liaison with Congress on important matters affecting Naval Aviation.

Having accumulated over 3600 flight hours and 1,000 carrier landings from the decks of 11 aircraft carriers, there is no doubting Captain Miller's courage and dedication. His superior contributions and distinguished service will have long-term benefits for both the Navy and the country he so proudly served. As Captain Miller enters his new profession I am proud to thank him for his service and wish him "fair winds and following seas."

RECOGNIZING WILLIAM SAVIDGE  
OF SAINT HELENA, CALIFORNIA

**HON. MIKE THOMPSON**

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Monday, March 14, 2005*

Mr. THOMPSON of California. Mr. Speaker, I rise today to recognize William Savidge, Vice

Mayor of Saint Helena, California, as he retires after 37 years of public service. His outstanding leadership and commitment to community service has made my hometown a better place.

Throughout the past 11 years, Bill has served selflessly as a member of the Saint Helena City Council. In 1994 Mayor John Brown, appointed Bill to the city council citing his voice and perspectives as qualifications for the job. Mayor John Brown was right. Since he joined the council, Bill's leadership has benefited our entire community.

Bill worked to pass a retrofit ordinance which lead to the restoration of 25 historic buildings in St. Helena. He reached out to youth of our community by leading the effort to build a teen center. Bill's public service was not limited to the City Council. He also served as St. Helena's representative to the county Housing Authority and, Housing Element Task Force.

Mr. Speaker, Bill's devotion to community and country began many years before his time on City Council. Bill Savidge dedicated 24 years of his life serving our country in the Armed Forces. After earning his degree at Stanford University, Bill went on to become a pilot in the United States Air Force. He later received his MBA from George Washington University while stationed at Maxwell Air Force Base. Bill bravely fought for and protected our country in World War II, Korea, and Vietnam. In 1974 Bill retired from the military and he and his wife Charlotte moved to St. Helena.

Even though Bill will retire from public office, his dedication to community does not end here. He plans to continue his active role with Kiwanis, the Food Pantry, and other local organizations. With his new found free time he also plans to write his memoirs.

Mr. Speaker, it is appropriate that we honor William Savidge today, for his distinguished service to his community and to his Country and extend our best wishes in all of his future endeavors.

LVTTV, CHANNEL 15 AWARDED TWO  
TOLLY AWARDS

**HON. MICHAEL C. BURGESS**

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

*Monday, March 14, 2005*

Mr. BURGESS. Mr. Speaker, I rise today to commend the Lewisville Television Channel 15, LVTV, broadcasting from the 26th Congressional District of Texas, for winning two Tolly Awards.

The Tolly Awards "honor outstanding local, regional, and cable television commercials and programs, as well as the finest video and film productions." For 26 years now, the Tolly Awards have trying to do their part to support the visual arts in local communities. The Tolly Awards encourage a very diverse field of applicants and try to distinguish themselves as an award of broad creativity.

Each award was for a LVTV-produced program. The first award was presented for Lewisville North High School's re-enactment of a Driving While Intoxicated (DWI) called "Deadly Decisions: Controlled Substance." The second winning program was for a "Community Comments" episode on the West Nile Virus. "Community Comments" is an interview-styled program filmed by students from

the LISD Dale Jackson Career Center, produced by Calvin Dorsey.

LVTV has done a superb job of representing their community and involving students in promoting visual arts. I am proud of Lewisville and LVTV Channel 15 who continue to keep their public up-to-date on hometown news and to provide quality family entertainment.

TRIBUTE TO SCOTT McKEOWN

**HON. ADAM B. SCHIFF**

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Monday, March 14, 2005*

Mr. SCHIFF. Mr. Speaker, I rise today to honor a devoted public servant who served some of the communities I represent for several decades. Scott McKeown lost his life in the recent Metrolink crash in Glendale, California. He spent 20 years with the City of Glendale and just recently celebrated his first year of service in the City of Pasadena's telecommunications department.

His exceptional attitude was an inspiration to all who knew him and his compassion and positive outlook were infectious. He had a passion for trains, especially locomotives, and instilled this love for the "iron horse" in his children. Scott McKeown is survived by his wife and two young children.

Working in the public sector is challenging and rewarding, and Scott embodied the spirit of public service through his longstanding service in our community. The tragic train crash last week was indeed a sad day for our community, and Mr. McKeown will be sorely missed.

HONORING MICHAEL MAYBERRY

**HON. JON C. PORTER**

OF NEVADA

IN THE HOUSE OF REPRESENTATIVES

*Monday, March 14, 2005*

Mr. PORTER. Mr. Speaker, I rise today to honor Michael Mayberry, Chief of Police in Henderson, Nevada. Chief Mayberry is retiring from the force after 30 years of dedicated service. He graduated from UNLV with a Bachelor of Arts degree in Criminal Justice. Chief Mayberry also graduated from the 180th session of the FBI National Academy and the 29th session of the Law Enforcement Executive Development Seminar in Quantico, Virginia.

Chief Mayberry began his career with the Henderson Police Department in 1976 as a reserve officer. In 1978 he was hired as a full time patrol officer and has had numerous assignments since that time. He has been a field training officer, detective, investigations division commander and support division commander. Chief Mayberry was named acting police chief in August 1999 and appointed police chief on May 2, 2000.

Southern Nevada is a well known tourist destination which is visited by millions of people throughout the world. This creates a unique security environment which requires unique and capable police officers. Mike's proven leadership during these difficult times goes a long way to explain why he truly deserved the title Chief of Police.

Under Chief Mayberry's tenure, the Henderson Police Department has become the most technologically advanced police department in the United States. On March 23, 2002, the Commission on Accreditation for Law Enforcement Agencies, CALEA, accredited the department for its professional excellence.

Mike, I wish you all the best. It was a privilege to work with you during those years where our services overlapped. However it is a greater privilege to call you my friend.

Mr. Speaker, Chief Michael Mayberry is a dedicated officer who has worked diligently for the Henderson community. I ask my fellow colleagues to stand with me today and honor all police officers across the country, like Chief Mayberry, who have dedicated so many years to building a better community, which in turn contributes to a better Nation.

PERSONAL EXPLANATION

**HON. PATRICK J. KENNEDY**

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

*Monday, March 14, 2005*

Mr. KENNEDY of Rhode Island. Mr. Speaker, of March 8, I was delayed and missed Rollcall votes 53, 54.

I respectfully request the opportunity to record my position on Rollcall votes 53 and 54.

It was my intention to vote: "yea on Rollcall 53; and "yea" on Rollcall 54.

At this time I would ask for unanimous consent that my positions be entered into the RECORD following those votes or in the appropriate portion of the RECORD.

IN HONOR OF THE 200TH ANNIVERSARY OF THE CLEVELAND POST OFFICE

**HON. DENNIS J. KUCINICH**

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

*Monday, March 14, 2005*

Mr. KUCINICH. Mr. Speaker, I rise today in honor and recognition of the 200th Anniversary of the Cleveland Post Office, which embraces the legacy of Northeast Ohio's mail carriers. For two centuries, these fearless messengers have braved everything from freezing January snow to the blazing heat of July, to snarling dogs, in order to deliver the mail throughout our Greater Cleveland community and across our nation.

Joseph Briggs, a Cleveland postal employee, revolutionized the postal system when he convinced postal officials to adopt a policy of free home delivery. On July 1, 1863, as our nation was divided by the Civil War, 450 mail carriers began Free City Service Delivery in Cleveland, Ohio. Encouraged by the positive response, officials expanded this service to other areas.

As our nation's frontier rolled westward, so did the United States Postal Service. The Service grew alongside every new and growing city and town, delivering mail from faraway places to our mailboxes. They journeyed down dusty trails, winding rivers, city streets and country roads—wherever cities came to life, so did a new post office.

Mr. Speaker and Colleagues, please join me in honor and recognition of every past and present employee of the Cleveland Post Office and their outstanding legacy.

The mail carriers hold in their hands the important information we need—from lifechanging announcements to everyday correspondence. This centuries-old exchange of news, emotion and ideas, sealed in a Postal Service letter, not only communicated the events of our nation's history, but still serves to facilitate change and shape the direction of America.

TRIBUTE TO THE FORT COLLINS VETERANS OF FOREIGN WARS POST 1781

**HON. MARILYN N. MUSGRAVE**

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

*Monday, March 14, 2005*

Mrs. MUSGRAVE. Mr. Speaker, I am continually grateful to the men and women who are currently serving in the U.S. military, and I am also reminded of the great sacrifices that have been made by our veterans. Sacrifices that have secured and maintained our freedom.

Recently, a local group of veterans received a special honor. In Fort Collins, Colorado, VFW Post 1781 received the prestigious Diamond Jubilee Award. The post earned this distinction in celebration of their 75th Anniversary.

VFW Post 1781 has maintained their post continuously since January of 1930. In fact, a copy of the original charter still hangs on the post's entryway next to a large display case filled with war memorabilia.

The post currently has 388 members and about 150 women in the ladies auxiliary. Post 1781 has been extraordinarily active; the chapter has not seen a drop in membership for 20 years.

This group carries on the VFW tradition of community service, working with other national organizations. Constructive community service is a founding VFW tenet with volunteerism benefiting education, the environment, health, and civic projects. For example, the VFW's citizenship education program is designed to stimulate an interest in America's history and promote patriotism.

In addition, the post and canteen are offered at no cost for veterans' memorial services.

The post is a place where many members spend their time with fellow veterans relaxing when they are between other routines, such as giving flag etiquette presentations or standing on the corner of College Avenue and Mulberry Street holding Support Our Troops signs.

In addition, the post contains a section of their building that is loaned to the Disabled American Veterans hospital ride program.

Except for monthly meetings, which are open to those with home membership at Post 1781, the rest of the building is available to VFW members from anywhere in the nation.

I applaud these retired military service men and women, not only for their service to our country, but also for their service in the local community.

On behalf of a grateful nation, I offer my warmest congratulations to the Fort Collins

VFW for their achievement of the Diamond Jubilee Award. May God bless our precious veterans and their families.

HONORING CONGREGATION  
MISHKAN ISRAEL AS IT CELEBRATES ITS 165TH ANNIVERSARY

**HON. ROSA L. DeLAURO**

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

*Monday, March 14, 2005*

Ms. DeLAURO. Mr. Speaker, it gives me great pleasure to rise today to join Rabbi Herbert Brockman and the many friends and families who have gathered to celebrate the 165th Anniversary of Congregation Mishkan Israel. Marking its 165th anniversary, Mishkan Israel is the oldest continuing congregation in New England and the 14th oldest synagogue in the United States. This milestone is a very special occasion, not only for the administration and members of the congregation, but for our community as well.

First established in 1840 by a group of Bavarian Jews fleeing economic and social oppression, services, conducted in German and Hebrew, were held over the Heller & Mendelbaum Store in New Haven, Connecticut. A short time later, the congregation purchased the Third Congregational Church building which remained its home until 1897 when the temple on Orange and Audubon Streets was dedicated. With the continued growth of the congregation, the synagogue made its final move in 1960 to its present home on Ridge Road in Hamden.

The strength and continuity of a congregation is dependent, not only on its membership, but on its leadership as well. Since its earliest days when it was the first synagogue to be dedicated by Rabbi Isaac Mayer Wise, who later became the leader of American Reform Judaism, Congregation Mishkan Israel has had a strong tradition of active leadership. Generation after generation, the rabbis who have come to Mishkan Israel have shared a passion for social justice—both here at home and throughout the world. In the 1870s, Rabbi Judah Wechsler opened the Torah to women, first allowing female confirmands to read from the sacred text; Rabbi Edgar Siskin became the first rabbi to be appointed to Yale University's faculty and helped to found Yale Hillel; and in the decades of the civil rights movement, Rabbi Robert Goldberg was an active champion of social justice protesting communism and inviting a myriad of speakers from Norman Cousins to The Reverend Doctor Martin Luther King, Jr. to address the congregation. Today, Rabbi Herbert Brockman upholds this legacy. Under his leadership, Mishkan Israel has opened its doors to the Urban Youth Center, a program for inner-city middle school children and sponsored the settlement of seven Russian Jewish emigrant families in New Haven.

In addition to its active leadership, members of Mishkan Israel have long been known for their endless contributions to the community. Volunteerism has always been strong force within the congregation and, through their compassion and generosity, the congregation has touched the lives of thousands over the years. Whether tending to the ill, volunteering at the local military hospital, purchasing Lib-

erty Bonds during World War I, or participating in the Pe'ah Project, which provides over a ton of vegetables from a congregant-run garden to area soup kitchens—the members of Mishkan Israel have shown a unique dedication to enriching our community.

Our houses of worship play a vital role in our communities—providing people with a place to turn to for comfort when they are most in need. In over a century, there have been many who have worshiped within their halls and many who have found peace and strength in the outstretched arms of Mishkan Israel. Throughout its history, Mishkan Israel has been an invaluable institution in the Greater New Haven Jewish community. It is with honor and the deepest thanks and appreciation for all of their good work that I stand today to pay tribute to Congregation Mishkan Israel as they celebrate their 165th Anniversary. Their contributions have left an indelible mark on our community and a legacy that will live on for generations to come.

TRIBUTE TO MICHAEL SARDONE

**HON. ALBERT RUSSELL WYNN**

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

*Monday, March 14, 2005*

Mr. WYNN. Mr. Speaker, I rise today to recognize and thank Michael Sardone for his 21 years of dedicated public service to this Congress and the Federal Government. His career epitomizes professionalism and commitment to public service.

Mr. Sardone has served as an indexer and editor for the Congressional Record Index office, under the auspices of the Joint Committee on Printing and now a part of the GPO, since his appointment by former Senator Matthias of Maryland in 1984. His detailed knowledge of congressional history and process has earned him the respect of both his colleagues and Hill staffers. As an editor for the Congressional Record Index, he has also served as editor and project manager for the Congressional Directory and has spearheaded the production of indexes for both the House and Senate Journals.

Mr. Sardone is a Maryland native. He grew up in the Wheaton area of Montgomery County and graduated from Frostburg State University with a degree in political science. He met his wife, Ginny, at the Index office. She now works for the Department of Housing and Urban Development. They have one son, Matthew.

As he embarks on new endeavors, I ask my colleagues to join me in extending gratitude for his hard work and dedication to the Congress and the Nation.

NORTH RICHLAND HILLS RECOGNIZED AS A "STORMREADY" COMMUNITY

**HON. MICHAEL C. BURGESS**

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

*Monday, March 14, 2005*

Mr. BURGESS. Mr. Speaker, I rise today to commend North Richland Hills, located in the 26th Congressional District of Texas, for its

recognition as a "StormReady" community by the National Weather Service (NWS).

North Richland Hills was recognized as a "StormReady" community because it met all of the criteria set forth by the NWS. For a community to be so honored, it must: establish a 24-hour warning point and emergency operations center; have more than one way to receive severe weather forecasts and warnings, and to alert the public; create a system that monitors local weather conditions; promote the importance of public readiness through community seminars; and develop a formal hazardous weather plan which includes training severe weather spotters and holding emergency exercises.

This is a noteworthy accomplishment because less than one percent of all cities and towns in the United States are categorized as "StormReady." The City of North Richland Hills cares deeply about its citizens and their safety. Severe weather is extremely common in North Texas where storms and tornadoes are frequent and set in with little warning. "StormReady" communities bring extra peace of mind to citizens.

North Richland Hills' "StormReady" status sets a wonderful model for other towns in Texas to improve their communication and safety skills which are needed to save lives and property. I am proud of North Richland Hills and its citizens who continued to better the community by doing the best in preparing for the worst.

HONORING THE CONTRIBUTIONS  
SAN ANTONIO COUNCILMAN RON  
SEGOVIA

**HON. HENRY CUELLAR**

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

*Monday, March 14, 2005*

Mr. CUELLAR. Mr. Speaker, I rise to recognize San Antonio City Councilman Ron Segovia's tremendous contribution to his community in my Congressional District of San Antonio, Texas.

Councilman Ron Segovia attended Harlandale High School in San Antonio, where he was a member of the ROTC. He studied at San Antonio College, and graduated from the Police Academy in 1975.

He served for 28 years as a San Antonio Police Officer, working in such special programs as DARE, SWAT, Crime Prevention, and Gang Resistance Education and Training. He was a part of the School Services program, which provided outreach and information to public school students.

Ron is also a successful small businessman. He owns Ron's Jewelers, which has been a fixture of the community for 22 years. He has used his role as a business owner to act as a benefactor and support educational programs in the community.

As a lifelong San Antonio resident he has given so much back to the community, as a protector, civil servant, and businessman.

Mr. Speaker, I am proud to have had this opportunity to recognize Councilman Ron Segovia.

IN RECOGNITION OF FRED L. FIELDS ON THE OCCASION OF HIS RETIREMENT FROM BOILERMAKERS LOCAL 549

**HON. ELLEN O. TAUSCHER**

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Monday, March 14, 2005*

Mrs. TAUSCHER. Mr. Speaker, I rise today to pay tribute to Fred L. Fields, who is retiring after 40 years as a Boilermaker and 9 years as Business Manager/Secretary Treasurer of Boilermakers Local 549.

Fred Fields began his career in 1964 as a Boilermaker Apprentice at the Kaiser Steel shop in Napa, and finished his education through the Western States Field Construction Apprenticeship program.

Throughout his 40 year career as a California based Boilermaker, Mr. Fields has demonstrated outstanding leadership. He was elected by Local 549 to attend four Boilermaker National Conventions, where he was appointed to the Construction Division Committee by International President Charles W. Jones. He was elected as a trustee to the Executive Board of Local 549 in 1990, and was elected Business Manager/Secretary Treasurer in 1996 and was reelected in 1999.

Fred Fields was appointed to represent the western states as the 13 western states as the Trustee on the Boilermaker National Health and Welfare Trust fund by International President Jones in 1997. He serves on the Executive Board of the California State Board of the California State Building and Construction Trades Council for the Boiler makers.

Mr. Fields recognized the importance of the formation of California Unions for Reliable Energy (C.U.R.E) to the boilermaker profession when it was created in 1996, C.U.R.E has provided of construction jobs for his fellow boiler-makers.

Fred Fields has selflessly served his community as part of Local 549; donating food to needy families through the Loaves and Fishes Program, the Contra Costa Food Bank, and the Richmond rescue mission.

Mr. Speaker, it is always inspiring to see someone who has dedicated his life to improving conditions for his brothers and sisters in Local 549. Throughout Fred Fields' tenure as a Boilermaker, he has demonstrated not only commitment to his chosen profession, but also dedication to the citizens of his community. I am proud to recognize my constituent, Fred Fields, on the occasion of his retirement.

PERSONAL EXPLANATION

**HON. BARBARA LEE**

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Monday, March 14, 2005*

Ms. LEE. Mr. Speaker, on March 8, 2005 during rollcall votes Nos. 53, 54, and 55, I was unavoidably detained due to inclement weather on my travel back to Washington, DC.

Had I been present, I would have voted "aye" on all three resolutions: the Journal vote, H. Res. 133, a bill pertaining to funding of the standing committees of the U.S. House of Representatives, and H. Res. 122, legislation urging the President to proclaim a special year of languages.

HONORING THE CONTRIBUTIONS OF SAN ANTONIO COUNCILMAN JOEL WILLIAMS

**HON. HENRY CUELLAR**

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

*Monday, March 14, 2005*

Mr. CUELLAR. Mr. Speaker, I rise today to recognize the many accomplishments of San Antonio City Councilman Joel Williams.

Mr. Williams has served both his city and his nation with distinction. A native Texan, Mr. Williams served in the United States Army Reserve for more than 25 years, rising to the position of Chief of the AMEDD Battle Simulation Center at Fort Sam Houston.

He has also been a leader in civil service and volunteer work. He was a member of the boards of Habitat for Humanity, the San Antonio Credit Union, and the East Central Independent School District. He worked on the Fund Distribution Panel of the United Way of San Antonio, and was a member of the Texas Association of School Boards.

He has consistently worked to improve the quality of education our children receive, and to safeguard the financial health of our community. He continues that work now, as City Councilman for San Antonio Council District 2. Joel Williams serves as an example of what discipline, courage, and dedication can accomplish.

Mr. Speaker, I am proud to have had this opportunity to recognize the contributions of San Antonio Councilman Joel Williams.

TRIBUTE TO THE ALABAMA A&M BULLDOGS

**HON. ROBERT E. (BUD) CRAMER, JR.**

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

*Monday, March 14, 2005*

Mr. CRAMER. Mr. Speaker, I rise today to congratulate Coach Vann Pettaway and his Alabama A&M University Basketball team on winning its first Southwestern Athletic Conference Championship and earning a spot in the NCAA Division I Men's Basketball Tournament. This is the first time that the Bulldogs have been invited to the NCAA Tournament in the seven years the program has been a Division I member.

The A&M Bulldogs finished this historic season with a record of eighteen wins and thirteen losses, culminating on Sunday afternoon with a nationally televised seventy-two to fifty-three victory over the Alabama State Hornets. In that game, Obie Trotter led all players with a game-high twenty four points, five assists and six steals and was named the SWAC's tournament MVP. Joe Martin finished second with seventeen points and six rebounds.

All of us in North Alabama are proud of our hometown heroes and will be rooting for the Bulldogs on Tuesday night when Coach Pettaway leads his team against the Oakland University Golden Grizzlies in Dayton, Ohio. All published accounts have said that the Bulldogs are playing their best basketball right now and are motivated to show the Nation why they deserve a spot in this tournament.

Mr. Speaker, these student athletes have set a fine example for future athletes in our

community. Their hard work, commitment, and dedication, on and off the court, are a large part of the team's success.

On behalf of everyone in North Alabama and all Bulldog fans across the Nation, I rise today to congratulate the Alabama A&M Bulldogs and wish them the best of luck against Oakland University.

THE GENETIC INFORMATION NON-DISCRIMINATION ACT OF 2005

**HON. ANNA G. ESHOO**

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Monday, March 14, 2005*

Ms. ESHOO. Mr. Speaker, I'm very pleased to join Representatives BIGGERT, SLAUGHTER and NEY in introducing the Genetic Information Non-Discrimination Act of 2005. This bill will prevent abuses of genetic information for workforce and insurance decisions. Advances in genetic science are already saving lives and will save many more in the years ahead, but these advances should not be the basis for denying Americans their jobs or their health insurance.

One of the most significant scientific accomplishments in history has been sequencing the human genetic code. As a result of this achievement, scientists have identified genetic markers for a variety of chronic health conditions, increasing the potential for early treatment and prevention.

Unfortunately, the ability to predict disease through genetic testing and family history opens the door for discrimination, particularly the employment and the health insurance industry. Such a threat has deterred the public and scientists from taking full advantage of the important opportunities that genetic information provides. Without appropriate protections to encourage providers, the health care community and the public to embrace genetic testing, the health care arena will be incapable of taking full advantage of the important opportunities resulting from the advancement of genetic information and technology.

The Genetic Information Non-Discrimination Act of 2005 prohibits health insurers in both group and individual markets from: using genetic information to impose enrollment restrictions or to adjust premium or contribution amounts; requesting genetic testing or results except as necessary for treatment, payment, or health care operations; and requesting or requiring the use of genetic information for the purposes of underwriting.

With regards to employment, the Genetic Information Non-Discrimination Act of 2005 grants enforcement powers to the Equal Employment Opportunity Commission and: makes it an unlawful employment practice for an employer, employment agency, labor organization, or training program to discriminate against an individual or deprive an individual of employment opportunities because of genetic information; prohibits the collection of genetic information except where necessary to monitor the effects of toxic substances in the workplace, when authorized by the employee, or as required by law; safeguards the confidentiality of genetic information in the employment setting.

The Genetic Information Non-Discrimination Act of 2005 brings public policy up-to-date

with science and ensures that every American can benefit from our scientific progress without the worry of genetic discrimination.

I urge all my colleagues in the House to support this legislation.

HONORING THE ACHIEVEMENTS OF  
SAN ANTONIO COUNCILMAN  
ROGER O. FLORES

**HON. HENRY CUELLAR**

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

*Monday, March 14, 2005*

Mr. CUELLAR. Mr. Speaker, I rise today to recognize the accomplishments of San Antonio City Councilman Roger Flores.

Roger Flores is a San Antonio native, from a small business family with a tradition of public service.

He graduated from Central Catholic High School, and received his Bachelor of Science from Texas A&M University, where he was a member of the Fighting Aggie Band.

After college, Roger returned to San Antonio to join his family's restaurant business. He managed and operated two restaurants, and also found time to serve his community as the Vice President of the St. Anthony Elementary School Board, and as a member of the board of Positive Beginnings, Inc.

On May 27 of 2004, Roger was elected to the Council seat that his father had held four years before. Roger credits his family as an inspiration for his public service, and believes deeply in the role of the community in supporting and encouraging strong families.

Mr. Speaker, Roger Flores is the kind of citizen who holds our communities together: a successful small businessman, a dedicated father, and a selfless volunteer and public servant. I thank him for his commitment, and congratulate him on his election to the San Antonio City Council.

HONORING THE CONTRIBUTIONS  
OF SAN ANTONIO CITY COUNCILMAN  
CARROLL SCHUBERT

**HON. HENRY CUELLAR**

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

*Monday, March 14, 2005*

Mr. CUELLAR. Mr. Speaker, I rise to recognize San Antonio City Councilman Carroll Schubert for his outstanding work, both in the legal community and on behalf of the people of San Antonio.

Mr. Schubert is a graduate of Texas A&M University, and the University of Texas School of Law, and a specialist in both civil litigation and regulatory and public affairs. His long history of public service includes time as Commissioner for the Bexar County Civil Service Commission, on the Board of Directors of the Texas District and County Attorneys Association, and as Chief Deputy District Attorney for Bexar County.

Mr. Schubert has given his time to a variety of organizations which work for the public good. He is a member of the Board of Directors of the Texas Wildlife Association, has been Chairman of the Board of Professional Contract Services, Inc., a state and federal

government contractor which provides jobs for people with disabilities.

From 1975 through 1978, Carroll was Executive Assistant to United States Senator Lloyd Bentsen. He was first elected to the San Antonio City Council on May 5, 2001, and was re-elected in 2003. He has worked as city councilman to improve city planning and the city's quality of life, and was the council's liaison to many of the San Antonio region's military bases and units.

Mr. Speaker, his career as a lawyer and a public servant has done credit to the city of San Antonio, and I am proud to have the opportunity to congratulate him here.

A TRIBUTE TO MELADY JEAN-BAPTISTE

**HON. EDOLPHUS TOWNS**

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Monday, March 14, 2005*

Mr. TOWNS. Mr. Speaker, I rise in honor of Melady Jean-Baptiste, who came to this country without being able to speak English, and now, after earning multiple degrees in education, serves as a role model for all who know her.

Melady Jean-Baptiste is a native of the city of Cap-Haitien in Haiti. She was born one of two daughters and three sons to a very loving, close knit, strong and progressive family. Her father immigrated to America at the age of 65 and began immediately to help his family immigrate. With her father in America, Melady attended the prestigious and elite College Regina Assumpta then continued at the Wetsal Secretarial School in Port au Prince.

In 1979, a few short years after her father left, Melady immigrated to America. The family searched for a church home and while walking in their neighborhood, they came upon Holy Trinity Baptist Church. Melady and her family began to attend services regularly at the Church. They were the only non-English speaking people in the congregation. Melady not only learned to speak English by attending the Sunday School class but she learned the biggest lesson of her life; that religion and education go hand in hand. Melady remains a faithful, tithing member of Holy Trinity Baptist Church (the fourth oldest Black Church in Brooklyn) and serves on the Deaconess Board and as a former president of the Pastor's Aide Ministry and the Women's Missionary Union.

Melady completed her two year degree at New York City Technical College (1987) her bachelor's four-year degree in less than four years, earning her B.S.W. at York College (1988). Two years later, she completed her M.S.W. in 1990 at Columbia University. Melady has also earned her a C.S.W., a Mono and Bilingual License and Certifications in Education. She is a member of a school based support team and uses her own life story to encourage students to not give up. She inspires many students to overcome learning difficulties and treats each child not as a social work case but as an individual who has an opportunity to succeed. She has enabled hundreds of children and families to overcome adverse moments in their lives and move effectively toward realizing their goals.

Melady is the quintessential American immigrant success story. She not only has utilized

education and her faith as tools for success but she has also served as a role model for others, including her family. Her sister Maryse has completed her professional nursing degree at Columbia University; her daughter Milady Jean-Baptiste Hartmann is a graduate of the Parsons School of Art & Design; and her second daughter, Tamar, stricken with a severe crippling form of rheumatoid arthritis as a child, completed her undergraduate degree from Brooklyn College and will begin her graduate studies next semester. Her mother, Melanie, at 83, continues to advance her education as well. Melady is the aunt of Melanie and Roger J-B. Charles; mother-in-law of Philippe Hartmann and grandmother of Caroline and Dahlia Hartmann. She is forever grateful for the possibilities America has given her through the wonderful, great natural resources of historical Black Churches, Black pastors and educational opportunities.

Mr. Speaker, Melady Jean-Baptiste serves as an inspiration to us all. Her dedication to education has improved not only her life but those she comes in contact with everyday. As such, she is more than worthy of receiving our recognition today and I urge my colleagues to join me in honoring this truly remarkable person.

FEDERAL TRANSIT BENEFIT'S ACT

**HON. JAMES P. MORAN**

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

*Monday, March 14, 2005*

Mr. MORAN of Virginia. Mr. Speaker, today I am introducing the Federal Transit Benefit Act. This legislation codifies Executive Order #13150 that directed all executive branch agencies to provide their employees in the national capital region with the full tax-free transit benefit provided under current law.

Initially the benefit was set at \$65 per month, but increased to \$100 per month beginning in January 2002.

Give up your car and parking spot and you can receive a voucher to cover a portion of your transit or van pool cost commuting to work. The benefit has been a godsend to this region, helping to reduce traffic congestion, reduce air pollution and improve quality of life issues for Federal employees.

The Metropolitan Washington Council of Government estimates that this benefit has boosted ridership in transit services and van pools by more than 100,000 Federal employees and reduced vehicle miles traveled between 40 million and 54 million.

The legislation I am introducing today will extend this benefit to the other branches of the Federal Government, the legislative and judicial branches, all independent Federal agencies, postal workers and the Smithsonian that were not covered by the executive order.

I have long sought to maintain parity in salaries and benefits for all Federal workers. This legislation restores parity ensuring that those Federal agencies that don't currently provide this benefit for their employees will do so.

The legislation will also remove current law restrictions and enable Federal agencies to offer their employees shuttle services between their office and transit centers like Metro, MARC, and Virginia Railway Express. Under current law, Federal agencies are prohibited

from providing shuttle services to their employees if it is not a part of official business.

The Federal Government is the region's largest employer. As such, it can and should do more to help its employees cope with some of the Nation's worst traffic congestion and in doing so help reduce harmful automobile emissions that have pushed this region into severe nonattainment.

This legislation was unanimously approved by the House Government Reform Committee last session. Its need is long overdue.

A TRIBUTE TO MISS SANDRA  
ODESSA THOMPSON

**HON. EDOLPHUS TOWNS**

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Monday, March 14, 2005*

Mr. TOWNS. Mr. Speaker, I rise in honor of Sandra Odessa Thompson in recognition of her service to New York City and her dedication to her community through her numerous civic commitments.

Sandra Odessa Thompson was born and raised in Brooklyn. Sandra is a permanent Associate Staff Analyst employed by the City of New York managing a portfolio of more than \$100 million involving cultural institutions at the Department of Design & Construction (DDC). She earned a BS in Biology from Pennsylvania State University, a MA in Human Sexuality and Health Education, and a professional diploma in Human Resources Management from New York University. She is also the Editor-in-Chief of *Origin*, a new women's magazine, which is the premier magazine for women in the Delaware Valley.

Over the years, Sandra has been actively involved in civic, community and fundraising events including a fundraiser for Creative Outlet Dance Theatre of Brooklyn, Inc., featuring the Broadway diva, Ms. Jennifer Holliday. She is a member of the Executive Board for the Organization of Staff Analysts (OSA); a member of OSA's Black History Committee; a team negotiator in 2004 for the City's Analysts; as well as a co-founder of DDC's OSA Chapter, where she serves as Vice-Chair of Contracts & Negotiations. Sandra has also received numerous honors, community and civic awards including: the Precinct/Clergy Community Award for fostering police-community relations; the OSA's first Elaine Cherry Memorial Award for Union Activism; several City Council Citations; and the 98.7 KISS-FM Strong Achiever Award. She has also been recognized as one of The 2000 Most Notable American Women and for her work as a budget analyst for the City's portion [\$65 million] of MoMA's (Museum of Modern Art) move from Manhattan to Queens and for one of her gardens (The Cloisters) she funded in a national magazine.

Additionally, Sandra is creating a mentoring and scholarship foundation in her parents' memory. She mentors several young ladies; actively recruits and networks (in NYC) for prospective Penn State University (PSU) undergraduates as an alumni volunteer; and is a member of Delta Sigma Theta Sorority, Inc. Previously, she was the past Recording Secretary and fundraiser for the 81st Precinct Community Council; a liaison between the 81st precinct community and youth councils; a strategic planning team member for the 2004

Youth Speak Outs & Borough Conference. Sandra also collaborated with the Kings County District Attorney's Office on the 2003 boroughwide Youth Speak Outs & Silence the Violence Youth Conference.

Mr. Speaker, Sandra Odessa Thompson has dedicated herself to her community through both her professional and numerous volunteer efforts. As such, she is more than worthy of receiving our recognition today and I urge my colleagues to join me in honoring this truly remarkable person.

HOUSE RESOLUTION EXPRESSING  
SUPPORT FOR MEMBERS OF THE  
UNIFORMED SERVICES

**HON. C.A. DUTCH RUPPERSBERGER**

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

*Monday, March 14, 2005*

Mr. RUPPERSBERGER. Mr. Speaker, I am honored to join my colleagues—Congressman TOM DAVIS of Virginia, Congressman WALTER JONES of North Carolina, and Congressman STENY HOYER of Maryland—to introduce a truly bipartisan resolution expressing support for the members of our Armed Forces and their families. In particular, this resolution offers support for those service members wounded or severely injured in service to the Nation, as well as support for the newly established Military Severely Injured Joint Support Operations Center. With the 2-year anniversary of Operation Iraqi Freedom arriving on March 19, I can think of no better way to salute our disabled and severely disabled troops who have returned home than the quick and bipartisan support of this resolution.

This resolution recognizes many efforts made by our brave men and women in uniform. It reaffirms our support for all members of the Armed Forces and their families. It acknowledges that all returning troops—whether an active, National Guard or Reserve component—should be treated with the same degree of dignity and respect. It pledges our desire to help all injured, wounded, and severely disabled service members returning home by providing the assistance they require to navigate the complicated medical and bureaucratic processes to transition back to active duty or civilian life. Most important, this resolution specifically acknowledges the number of National Guard and Reserve components called for prolonged duty in today's military and pledges Congressional support to the Department of Defense Joint Support Center to ensure we take care of our own once we bring them home.

I applaud the action of the Department of Defense for establishing the Joint Support Center on February 1, 2005. I, along with Mr. JONES and Mr. HOYER, proposed the same concept in H.R. 5057 in the 108th Congress. That bill was eventually introduced in the Senate by Senator BOND and Senator KENNEDY. It received full endorsements from every major veterans' and military service organization. We are proud to see that effort taken up by the Pentagon and welcome the Joint Support Center. This resolution supports the Pentagon's initiative by expressing Congress's strong commitment to the center and our assistance in ensuring that the center receives the resources it needs to succeed in its mission.

Mr. Speaker, I urge my colleagues on both sides of the aisle to join me in passing this resolution quickly to send a clear message to our service men and women that the Members of the U.S. House of Representatives in the 109th Congress are firmly behind them.

HONORING THE CONTRIBUTIONS  
OF SAN ANTONIO CITY COUNCILMAN  
ART HALL

**HON. HENRY CUELLAR**

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

*Monday, March 14, 2005*

Mr. CUELLAR. Mr. Speaker, I rise to recognize San Antonio City Councilman Art Hall for his service to the people of San Antonio District 8.

Mr. Hall was born in Hempstead, TX, and grew up in Lubbock. He attended Harvard University, and received a joint law degree/MBA from Texas Tech Law and Business Schools. He is an expert in finance and corporate law, and received the Pforzheimer Foundation Scholar Award at Harvard and the Clifford Chance Business Law Prize from the University of Wales.

Art Hall is a central part of the Texas legal community. He has been published in several law and international finance journals, including *St. Mary's University Law Review* on Minority Issues and the *Journal of International Financial Markets*. In 1998, he was hired to serve as the director of the Academic Excellence Program as an Adjunct Professor at St. Mary's Law School. He was also general counsel for the investment banking firm Southwestern Capital Markets, the nation's oldest Hispanic-owned investment banking firm. Today, Councilman Hall is an owner and the President of Presidio Asset Management.

Art Hall was elected to San Antonio's City Council in 2003. He is the youngest person ever to represent his district, and has the distinction of being the first African American elected outside of the city's East side. He has been named one of the city's "Top 40 Under 40" rising stars by the *San Antonio Business Journal*.

Mr. Speaker, Councilman Art Hall has an extraordinarily bright future ahead of him, and I am happy to have the chance to recognize him.

A TRIBUTE TO JEANETTE LUGO  
SOSA

**HON. EDOLPHUS TOWNS**

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Monday, March 14, 2005*

Mr. TOWNS. Mr. Speaker, I rise in honor of Jeanette Lugo Sosa in recognition of her strong commitment to strengthening the education of our children.

Jeanette has been the principal of PS 151K since 1999. She has come full circle in the Bushwick community. As a child, she studied at PS 274K and IS 111, before earning a Bachelor's Degree in Educational Administration and a Professional Diploma in Psychology from New York University. Her administrative career began as Interim Acting Assistant Principal at PS 343, then as Assistant Principal at

IS 291 before being appointed to her current post.

PS 151K has truly blossomed under her strong leadership and administrative style. Reading and math scores have increased tremendously, and a science lab is now available for the students. Jeanette works diligently with a very active Parents' Association to promote an atmosphere of harmony and warmth. Under her tenure, the third through fifth grade violin orchestra, the third through fifth grade jazz band, and the kindergarten through second grade Piano Lab have all been created. Additionally, her leadership has been responsible for establishing the Fine Arts Lab for all grades. These accomplishments clearly demonstrate her passionate love of the arts.

Jeanette and her husband, Jose, are celebrating 25 years of wedded bliss. They are extremely proud of their three beautiful daughters: Celia, a Doctoral Candidate at Binghamton University; Margo, a kindergarten teacher at PS 145K; and Rebecca, a junior at The Mary Louis Academy for Girls.

Mr. Speaker, Jeanette Lugo Sosa has chosen to dedicate her career to educating our children and enriching their lives. As such, she is more than worthy of receiving our recognition today and I urge my colleagues to join me in honoring this truly remarkable person.

IN HONOR OF TILLIE FOWLER,  
FORMER MEMBER OF CONGRESS

SPEECH OF

**HON. ROGER F. WICKER**

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 8, 2005*

Mr. WICKER. Mr. Speaker, I thank my colleagues from Florida for allowing me to participate in this tribute to our friend, Tillie Fowler.

I was privileged to get to know Tillie and to see how effective she was here in this body. I served with her on the Whip team, where her intelligence and leadership abilities were great assets. Tillie also had the universal respect of members of Congress in both parties because of her gentle demeanor and the way she got things done. She also enjoyed that same measure of respect from all the branches of our armed services. Tillie gained a seat on the Armed Services Committee and worked hard on issues to strengthen our military and improve the quality of life for our service personnel.

One of the newspaper stories referred to Tillie as a passionate advocate for the City of Jacksonville and for the military. There is no question about that, and she achieved success without raising her voice or pounding on the rostrum. She did it with a personal style that embodied all the characteristics of a Southern lady. Tillie was polite and courteous, always immaculately dressed, and easy to work with—yet tenacious in pursuit of her goals. Working Woman magazine once said about Tillie that she was a “diminutive Southern belle but tough as an old Marine.” She said she learned that lesson from her grandmother, who said being a lady doesn't mean you can't be tough.

Tillie heeded her grandmother's advice, and it served her well throughout a career that was marked by pioneering accomplishments. She was one of only five women in her Emory Uni-

versity Law School graduating class. She won a seat on the Jacksonville City Council and was elected as the council's first woman president. She earned high marks for her work ethic and ability to get things done. In 1993, she brought that same energy and determination to Capitol Hill.

She already had Washington experience as a former House staffer and in the Office of Consumer Affairs at the White House. Tillie's abilities were recognized quickly and she became a leader on issues relating to our military. She also became a member of the House leadership team, serving as vice-chair of the Republican Conference.

Even after leaving Congress in 2001, Tillie was still being called on to tackle tough assignments. She chaired the commission that investigated sexual misconduct allegations at the Air Force Academy and was named to the panel looking into issues surrounding the treatment of prisoners in Iraq.

She never moved to Washington, choosing to commute back home every weekend to be close to her family and her strong Jacksonville roots. While Tillie focused much attention on the district and on issues important to Florida, her work touched lives all across our great country—especially those with ties to our military. That was evidenced by the strong outpouring of support the family received from so many Americans who appreciated Tillie's faithful service.

The House of Representatives is a better place because Tillie Fowler served here. I am honored to help pay tribute to Tillie and her remarkable career.

HONORING THE ACHIEVEMENTS OF  
SAN ANTONIO COUNCILMAN  
CHRISTOPHER “CHIP” HAASS

**HON. HENRY CUELLAR**

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

*Monday, March 14, 2005*

Mr. CUELLAR. Mr. Speaker, I rise today to recognize San Antonio Councilman Christopher “Chip” Haass for his dedication to public service in my community.

Councilman Haass attended Saint Mary's High School in San Antonio, after completing high school he enrolled at Texas Christian University and received a degree in Political Science and History, then received a master's in Education. After graduation he returned to Saint Mary's as a government teacher, he is the first male alumni to do so.

At age 25 he decided to enter the political arena, and in 2003 he was elected and became the youngest Councilman ever elected in San Antonio's history. He credits his energetic personality, and idealism that led the people of his community to call for reform.

Councilman Haass has distinguished himself during his term by improving the basic infrastructure of District 10. Soon after he entered office he passed bonds that secured monetary assets to parks and schools in the community.

He sees his future in public service, either as an elected official, working with non-profit organizations, or as an educator. He enjoys bringing people together as a community, and debating the issues. Councilman Haass has the ability to motivate others through his vision, and create a consensus.

Mr. Speaker, Councilman Chip Haass has been an inspiring public servant, first as an educator, second as a politician, and lastly as a friend of San Antonio. I am honored to have had this opportunity to recognize his dedication and hard work.

A TRIBUTE TO THE UNITED JEWISH ORGANIZATIONS OF WILLIAMSBURG

**HON. EDOLPHUS TOWNS**

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Monday, March 14, 2005*

Mr. TOWNS. Mr. Speaker, I rise today in recognition of a distinguished organization, The United Jewish Organizations of Williamsburg. It is an honor to represent The United Jewish Organizations of Williamsburg in the House of Representatives and it behooves us to pay tribute to such a selfless organization.

Mr. Speaker, The United Jewish Organizations of Williamsburg was founded in 1966 to help families in need in South Williamsburg. Over the course of its 39 years of service to the Brooklyn community The United Jewish Organizations of Williamsburg has thrived marvelously where today it represents more than 50,000 community residents and 148 not-for-profits, religious, educational, charitable organizations and civic associations in the Jewish community of Williamsburg, Clinton Hill and Bedford-Stuyvesant.

Under the tutelage of their President, Rabbi David Niederman, The United Jewish Organizations of Williamsburg has established itself as a direct provider of social and housing services and is the address for urban planning, public health and community development services for the Jewish community of Greater Williamsburg.

The United Jewish Organizations of Williamsburg, has been a leader in providing low-income housing to the Williamsburg community. Their most recent project includes the development of a waterfront property at the site of the former Schaeffer Brewery, which has 149 housing units reserved for low-income people. Additionally, they are the central address for the New York State and New York City Departments of Health and the Center for Disease Control in researching and conducting pilot projects on Cancer and Shigellosis in the culturally rich Hasidic Jewish community. They have also been instrumental in providing treatment to those suffering from the adverse affects of tobacco as well as being involved in collaborative efforts with other not-for-profits in providing for the overall betterment of the Williamsburg community.

Mr. Speaker, I believe that it is incumbent on this body to recognize the achievements of the United Jewish Organizations of Williamsburg. After the destruction and decimation of many Hasidic dynasties in Europe during the Holocaust, it is truly an inspiration to see the Hasidic sects of Satmar, Pupa, Vishnitz, Vien, Tzelem, Skver, Klausenberg and Spinka join together under the umbrella of The United Jewish Organizations of Williamsburg and call Brooklyn their home.

Mr. Speaker, may our country continue to benefit from the civic actions of The United Jewish Organizations of Williamsburg and community groups similar to them.

CONGRATULATING THE UNIVERSITY OF NEW MEXICO'S MEN'S AND WOMEN'S BASKETBALL TEAMS

**HON. HEATHER WILSON**

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

*Monday, March 14, 2005*

Mrs. WILSON of New Mexico, Mr. Speaker, I rise today to congratulate the University of New Mexico Men's and Women's Basketball Teams on winning the Men's and Women's 2005 Mountain West Conference (MWC) Tournaments. From the Pit in Albuquerque to the Pepsi Center in Denver, these Lobo student-athletes have proudly represented the University of New Mexico.

The Lobo Men's 60–56 victory against Utah in the Mountain West Conference tournament garnered them the Mountain West Conference Championship. Equally impressive, the UNM Women's Basketball team beat Utah 47–37 for its third straight Mountain West Conference tournament victory.

Led by Head Coach Ritchie McKay, the Men's Basketball team secured an NCAA Tournament bid, the first since 1999. With a Conference Championship under their belt, this marks the 11th time the Lobo Men's team secured an NCAA tournament spot. The UNM Men are on a nine game winning streak as they look toward more "W's" in the NCAA tournament.

Now a perfect 3–0 in Conference title games, the Lobo Women, under the tutelage of Head Coach Don Flanagan, secured a bid to the NCAA Tournament. The Women's basketball team has dominated the conference for the past three years and has garnered three consecutive Conference Championships. The Lady Lobos have now won 9 straight Conference Championship games as they prepare for the NCAA tournament.

Mr. Speaker, I wish to commend both the UNM Men's and Women's Basketball Teams, Head Coaches Ritchie McKay and Don Flanagan, the University of New Mexico and all the dedicated Lobo fans for this successful season. I am eagerly anticipating the teams' first round games in the NCAA tournament as they proudly represent the University of New Mexico on the national stage. Go Lobos!

TRIBUTE TO ARKANSAS' 39TH INFANTRY BRIGADE

**HON. MARION BERRY**

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

*Monday, March 14, 2005*

Mr. BERRY. Mr. Speaker, I am honored to rise today on behalf of Congress to thank Arkansas' 39th Infantry Brigade for their service in Iraq and to welcome them home.

A Over the last year, the men and women of the 39th have worked to make a positive difference in the lives of the Iraqi people. They have faced their duties bravely, performed honorably and made a difference in the development of an emerging country.

Many years ago, the 39th chose to be represented by a Bowie knife laid over a diamond on their patch. The knife serves both as a tribute to The Bowie State and as a symbol of

their aggressive spirit, while the diamond symbolizes the only diamond field in North America located in Arkansas.

There is no doubt the 39th has lived up to the badge it proudly bares. Forceful and strong is why Iraq is better today than it was in April of 2004 when our brave men and women first pulled into Camp Taji. Forceful and strong is how they did their job in the most hostile environment, every day, for a year. Forceful and strong is why their families can wrap their arms around them now and welcome them home.

The efforts of the 39th have resulted in reconstructed Iraqi schools, hospitals, irrigation and sewage systems, and new recreational projects for children. The footprint they left in the Iraqi sand is far deeper than their boot size; and the sacrifice made by too many not coming home will never be forgotten.

We must take a moment, as we celebrate the return of our loved ones, to think of those less fortunate. Those who gave their lives defending strangers to ensure peace have made the noblest of sacrifices. They will be missed by their families and friends and honored by their country. We pray every day for those who loved them and thank them all for what they've left us with.

On behalf of the Congress, I thank all the members of the 39th Infantry Brigade for the immeasurable contributions they have made to peace, democracy and the Iraqi people. Their bravery and courage stand as a shining example of American ability and our debt to them can never fully be repaid.

HONORING THE CONTRIBUTIONS OF SAN ANTONIO CITY COUNCILMAN JULIAN CASTRO

**HON. HENRY CUELLAR**

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

*Monday, March 14, 2005*

Mr. CUELLAR. Mr. Speaker, I rise to recognize San Antonio City Councilman Julian Castro for his distinguished career in public service, and his deep commitment to the people of San Antonio.

Julian Castro and his twin brother Joaquin were born on September 16, 1974, and grew up on San Antonio's west side. For all but one year of his education, Julian attended San Antonio public schools. Upon his graduation from high school, he moved to the San Francisco Bay Area, where he attended Stanford University. He graduated with a double major in Political Science and Communication in 1996, graduating with honors and distinction.

After college, Julian returned home to San Antonio, and took a position as a permanent substitute teacher at his alma mater, Jefferson High School. He also began his career in public service by working with the City's Special Projects Office on housing and economic development issues.

Julian ran for City Council in 2000, and won a seat representing District 7. He ran on a platform of economic development and revitalization for the city, and committed himself to these projects once in office. He worked to improve the community by cleaning up blighted neighborhoods, and was a leading voice for government ethics reform and public safety.

Julian Castro was 26 at the time of his election to the City Council, making him the

youngest elected city councilman in San Antonio history. He is just beginning on a promising career, and I know that he will be a major force for good in Texas politics for many years to come.

Mr. Speaker, I am proud to have the chance to thank him here for the work he has done thus far, and to wish him well as he continues to serve the people of San Antonio.

A TRIBUTE TO ROSA WITSELL

**HON. EDOLPHUS TOWNS**

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Monday, March 14, 2005*

Mr. TOWNS. Mr. Speaker, I rise in honor of Rosa Witsell who has dedicated her career to her community and enriching the lives of our children.

Rosa grew up in Charleston, South Carolina and is the youngest of four children. She was nurtured in a home environment where there was a strong belief and faith in God. At age 10 she joined the Tabernacle Baptist Church and became a Sunday School Teacher and Secretary, and a member of the Junior Usher Board.

After earning her Bachelor's of Science from Johnson C. Smith University, Rosa moved to Brooklyn, New York where she continued her spiritual growth by joining the Brown Memorial Baptist Church under the Pastorate of the late Dr. Rev. Samuel Austin. She remains active in Brown's Ministries under her current Pastor, Rev. Clinton M. Miller, where she is a member of the Senior Missionary Society, Willing Worker's Club, and the 40/60 Friendship Club.

Rosa began her career path with the New York City Department of Parks and Recreation as a Recreation Director. She spent 12 years nurturing the young minds of 3 and 4 year olds in a distinguished pre-school program and broadening the horizon of 6 and 12 year olds in summer day camp. Rosa was later promoted to Assistant Supervisor of Recreation where she served the Harlem Community and later the East New York Community. She also served as her agency's liaison to Community Board Five, representing the agency at Community Board meetings, Youth Committee meetings, and providing invaluable support and assistance to the Board's staff.

After more than 20 years, Rosa retired from the Department of Parks, but remained in the East New York Community as Center Director of the Starrett-at-Spring Creek Teen Center. In addition to educational and cultural trips, Rosa implemented an annual Mother/Daughter Dinner, Double Dutch and Talent Show competitions, dance classes, and workshops dealing with job skills, AIDS awareness, and proper make-up. After 4 years as Center Director, Rosa resigned and joined the United States Postal Service where she is currently employed as a letter carrier. She enjoys the continued interaction with college students, young families, and seniors. Rosa's customers frequently thank her for her smile and excellent service. In fact, because her customers took the time to send letters of accommodation to the Postmaster, the Postal Service recognized her for outstanding customer service.

Rosa is a former Board member of Brooklyn Neighborhood Improvement Association, and a former Cadet Girl Scout Leader. She is a

single mom whose daughter Esteen, and son in-law Derrick are about to make her a first time grandmother in a few short months.

Mr. Speaker, Rosa Witsell has dedicated herself to her professional career, to serving her community and improving the lives of our children. As such, she is more than worthy of receiving our recognition today and I urge my colleagues to join me in honoring this truly remarkable person.

MESSIAH EVANGELICAL  
LUTHERAN CHURCH

**HON. DALE E. KILDEE**

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

*Monday, March 14, 2005*

Mr. KILDEE. Mr. Speaker, I ask the House of Representatives to join me in congratulating Messiah Evangelical Lutheran Church on celebrating 125 years of worship, fellowship, and outreach in Bay City, Michigan. On Sunday, October 16, the congregation of Messiah will recognize this milestone during a special service and dinner to be held at the church.

Messiah Evangelical Lutheran Church found its roots in Bay City in 1880, when 50 individuals, immigrants from Sweden, came together and formed one of the most spirit-filled ministries in Bay County. During the past 125 years, Messiah has made a significant impact on the community. The members of Messiah have consistently heeded the call of Christ to assist all those who are in need of spiritual healing. The inspiration for living by Christian ideals is repeated again and again in the lives of the staff and laity of the church. In the intervening years, with God's blessing, and through the dedicated efforts of many, pastors and lay people alike, the membership has grown to 600 people, embracing a variety of ethnic backgrounds.

Spiritual growth spurred physical growth, as the building itself had no choice but to expand to accommodate the new congregants. The original small frame building has given way to the present substantial brick building on the same location, now designated as a historic site by the State of Michigan. Although the building has changed, the high purpose of worship and community service remains the same.

I pray that during this glorious milestone the members and community of this magnificent church will come together and do as the Bible tells us in Psalms 33:1-4: "Rejoice in the Lord, O you righteous! For praise from upright is beautiful. Praise the Lord with the harp; make melody to Him with an instrument of ten strings. Sing to Him a new song; play skillfully with a shout of joy. For the word of the Lord is right and all His work is done in truth."

For 125 years, Messiah Evangelical Lutheran Church has been a dynamic force for the public good. At every time of social need or upheaval, the congregation has resoundingly responded by living the Gospel spoken every Sunday in the sanctuary. Mr. Speaker, I ask the House of Representatives to rise with me and applaud the continuity of Christian life that has resonated for more than 12 decades and resonates today through Messiah Evangelical Lutheran Church.

NIAGARA FALLS HIGH SCHOOL  
BASKETBALL TEAM CHAMPIONSHIP

**HON. LOUISE McINTOSH SLAUGHTER**

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Monday, March 14, 2005*

Ms. SLAUGHTER. Mr. Speaker, I rise today to congratulate the Niagara Falls High School Boy's Basketball team on winning the 2005 New York State Public High School Athletic Association Class AA Championship. The Niagara Falls Basketball Team is now ranked 7th in the country. The team won the state championship game by a score of 69 to 58, and just as noteworthy, they won the semifinals by over 50 points.

Every player on the team deserves credit for this victory. While Paul Harris, who won the Most Valuable Player award, should be congratulated, each team member worked very hard to bring home this championship title to Niagara Falls.

I wish to commend Coach Bazzani and his staff and the leadership of the Niagara Falls School District for giving these young men the support and instilling in them their perseverance and winning attitude. I would also like to compliment the other members of this team—the cheerleaders and the Pep Band. The band made up of students including a father, has been at all the games inspiring the team and cheering on the crowd with their antics. They are as worth watching as the team.

Mr. Speaker, I cannot be prouder of the Niagara Falls Boy's Basketball team. Again, I wish to commend Coach Bazzani, the coaching staff, players and the community for this successful championship season.

HONORING THE CONTRIBUTIONS  
OF SAN ANTONIO COUNCILMAN  
ENRIGUE M. BARRERA

**HON. HENRY CUELLAR**

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

*Monday, March 14, 2005*

Mr. CUELLAR. Mr. Speaker, I rise to recognize San Antonio Councilman Enrique M. Barrera for a lifetime of distinguished public service.

Enrique Barrera began his professional career as an educator with the San Felipe School District in Del Rio Texas. His strong passion and dedication to serve the community lead him to move to San Antonio to serve as a counselor, social worker and administrator.

He later worked as an Employee Department Specialist with the United States Office of Personnel Management and then later as a Chief of Civilian Personnel Training at Randolph Air Force Base.

He continued with his professional career at the State Level and served with the Texas Department of Community Affairs, the Texas Department of Commerce and the Texas workforce commission.

In 2001 he decided to make a run for San Antonio City Council, and in May he was elected to District 6. In May 2003, he was re-elected to his second term, and has since brought integrity to the seat.

Mr. Speaker, an Antonio Councilman Enrique Barrera is a credit to his community and a tremendous resource to his county, and I am glad I had this opportunity to thank him for his work and dedication.

RECOGNIZING THE CONTRIBUTIONS  
OF SAN ANTONIO CITY  
COUNCILWOMAN PATTI RADLE

**HON. HENRY CUELLAR**

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

*Monday, March 14, 2005*

Mr. CUELLAR. Mr. Speaker, I rise today to recognize the contributions of Patti Radle.

Patti Radle has lived a life of enormous service to her community. Since arriving in San Antonio in 1969, Ms. Radle has been at the center of volunteer project after volunteer project, working on issues ranging from urban development to education to civil rights.

For thirty years, she and her husband, Rod, have served as volunteer co-directors of the non-profit group Inner City Development, which provides emergency services for families in crisis, and educational opportunities for children and teens.

She served on the founding board of the first chapter of Habitat for Humanity in the United States, Habitat for Humanity San Antonio. She advanced the cause of civil rights in our state by organizing Martin Luther King memorial marches, and serving on the National Council of the Fellowship of Reconciliation.

She worked for nine years as an elementary school teacher, and helped to make our public schools safer and stronger by founding school conflict resolution programs throughout the San Antonio area.

Mr. Speaker, Patti Radle has enriched our community with her creativity, her energy, and her vision for over 35 years. She continues to work to build a better future for San Antonio as City Councilwoman for San Antonio Council District 5. I am proud to have the opportunity to recognize her here, and to thank her for her many contributions to the community.

RECOGNIZING THE CONTRIBUTIONS  
OF SAN ANTONIO COUNCILMAN  
RICHARD PEREZ

**HON. HENRY CUELLAR**

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

*Monday, March 14, 2005*

Mr. CUELLAR. Mr. Speaker, I rise today to acknowledge and congratulate Richard Perez for his commitment to serving his fellow citizens of San Antonio, Texas.

Richard Perez is the representative for San Antonio's City Council 4th District. He was raised by his parents in the exact district that he represents today, so it goes without saying that he is familiar with the area and its needs.

But his life of service to the community does not begin with his current role as a city council member; he has held various positions in city planning in such cities as Laredo and Austin that experienced tremendous city growth during his service. He has also worked at the U.S. Department of Housing and Urban Development as the Special Assistant to the Deputy

Secretary for three years, thus giving him a thorough understanding of the federal governments workings in communities like that which he represents now.

In 2001 Councilman Perez returned to his childhood home of San Antonio to assist in managing his families' small business Fairway

Landscape and Nursery Inc. It is through this position that he observes the challenges and obstacles facing small businesses of San Antonio.

Mr. Speaker, Councilman Richard Perez understands the concerns of the citizens, small businesses and everything else that is the

great city of San Antonio. It is because of this connection with the populace and his long standing record of public service that I am proud to let the people know of the commitment of Richard Perez to the community.

## SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Meetings scheduled for Tuesday, March 15, 2005 may be found in the Daily Digest of today's RECORD.

## MEETINGS SCHEDULED

## MARCH 16

- 9:15 a.m.  
Environment and Public Works  
Business meeting to consider The Reliable Fuels Act, and The Safe, Accountable, Flexible, and Efficient Transportation Equity Act of 2005. SD-406
- 9:30 a.m.  
Armed Services  
Airland Subcommittee  
To hold hearings to examine Air Force Acquisition Oversight in review of the Defense Authorization Request for fiscal year 2006. SR-232A
- Appropriations  
Labor, Health and Human Services, and Education Subcommittee  
To hold hearings to examine proposed budget estimates for fiscal year 2006 for the Department of Health and Human Services. SD-138
- 10 a.m.  
Finance  
To hold hearings to examine expiring tax provisions. SD-628
- 11:30 a.m.  
Energy and Natural Resources  
Business meeting to consider pending calendar business. SD-366
- 2 p.m.  
Appropriations  
Military Construction Subcommittee  
To hold hearings to examine proposed budget estimates for fiscal year 2006 for the Army and Air Force. SD-138
- 2:30 p.m.  
Foreign Relations  
To hold hearings to examine the lifting of the European Union arms embargo on China. SD-419

- Intelligence  
To hold a closed briefing on intelligence matters. SH-219
- 3 p.m.  
Judiciary  
Constitution, Civil Rights and Property Rights Subcommittee  
To hold hearings to examine obscenity prosecution and the constitution. SD-226
- Armed Services  
Strategic Forces Subcommittee  
To hold hearings to examine national security space policy and programs in review of the Defense Authorization request for fiscal year 2006. SR-232A
- 4:30 p.m.  
Armed Services  
To receive a closed briefing regarding Improvised Explosive Devices (IED), focusing on the evolving IED threat and the Department of Defense's approach to addressing this issue. SR-222

## MARCH 17

- 9:30 a.m.  
Armed Services  
To hold hearings to examine current and future worldwide threats to the national security of the United States; to be followed by a closed hearing in SH-219. SD-106
- Health, Education, Labor, and Pensions  
To hold hearings to examine the nomination of Lester M. Crawford, of Maryland, to be Commissioner of Food and Drugs, Department of Health and Human Services. SD-430
- Judiciary  
Business meeting to consider pending calendar business. SD-226
- 10 a.m.  
Commerce, Science, and Transportation  
Oceans, Fisheries and Coast Guard Subcommittee  
To hold hearings to examine the President's proposed budget request for fiscal year 2006 for the Coast Guard Operational Readiness/Mission Balance. SR-253
- Veterans' Affairs  
To hold hearings to examine the report entitled, "Back from the Battlefield: Are we providing the proper care for America's Wounded Warriors?". SR-418
- 11 a.m.  
Banking, Housing, and Urban Affairs  
Business meeting to markup The Federal Public Transportation Act of 2005. SD-538
- 3 p.m.  
Armed Services  
SeaPower Subcommittee  
To hold hearings to examine posture of the U.S. Transportation Command in review of the Defense Authorization request for fiscal year 2006. SR-232A

## APRIL 14

- 10 a.m.  
Veterans' Affairs  
To hold joint hearings with the House Committee on Veterans Affairs to examine the legislative presentations of the Military Officers Association of America, the National Association of State Director of Veterans Affairs, AMVETS, the American Ex-Prisoners of War, and Vietnam Veterans of America. 345 CHOB

## APRIL 21

- 10 a.m.  
Veterans' Affairs  
To hold joint hearings with the House Committee on Veterans Affairs to examine the legislative presentations of the Fleet Reserve Association, the Air Force Sergeants Association, the Retired Enlisted Association, and the Gold Star Wives of America. 345 CHOB

## SEPTEMBER 20

- 10 a.m.  
Veterans' Affairs  
To hold joint hearings with the House Committee on Veterans Affairs to examine the legislative presentation of the American Legion. 345 CHOB

## CANCELLATIONS

## MARCH 16

- 3:30 p.m.  
Foreign Relations  
To hold hearings to examine the nomination of Howard J. Krongard, of New Jersey, to be Inspector General, Department of State. SD-419

## POSTPONEMENTS

- 11 a.m.  
Homeland Security and Governmental Affairs  
Business meeting to consider S. 21, to provide for homeland security grant coordination and simplification, S. 335, to reauthorize the Congressional Award Act, S. 494, to amend chapter 23 of title 5, United States Code, to clarify the disclosures of information protected from prohibited personnel practices, require a statement in nondisclosure policies, forms, and agreements that such policies, forms, and agreements conform with certain disclosure protections, provide certain authority for the Special Counsel, S. 501, to provide a site for the National Women's History Museum in the District of Columbia, report of the permanent subcommittee on investigation, titled, "The Role of the Professional Firms in the U.S. Tax Shelter Industry", and the nomination of Harold Damelin, of Virginia, to be Inspector General, Department of the Treasury. SD-342

# Daily Digest

## Senate

### Chamber Action

*Routine Proceedings, pages S2587–S2659*

**Measures Introduced:** Ten bills were introduced, as follows: S. 611–620. **Page S2644**

#### Measures Reported:

S. 97, to provide for the sale of bentonite in Big Horn County, Wyoming. (S. Rept. No. 109–37)

S. 252, to direct the Secretary of the Interior to convey certain land in Washoe County, Nevada, to the Board of Regents of the University and Community College System of Nevada. (S. Rept. No. 109–38)

S. 253, to direct the Secretary of the Interior to convey certain land to the land to the Edward H. McDaniel American Legion Post No. 22 in Pahrump, Nevada, for the construction of a post building and memorial park for use by the American Legion, other veterans' groups, and the local community, with amendments. (S. Rept. No. 109–39)

**Page S2644**

**Concurrent Budget Resolution:** Senate began consideration of S. Con. Res. 18, an original concurrent resolution setting for the congressional budget for the United States Government for fiscal year 2006 and including the appropriate budgetary levels for fiscal years 2005 and 2007 through 2010, taking action on the following amendments proposed thereto:

**Pages S2587–S2641**

#### Adopted:

Gregg Amendment No. 142, of a technical nature. **Page S2611**

#### Rejected:

By 44 yeas to 49 nays (Vote No. 45), Bingaman Amendment No. 143, to restore funding for education programs that are cut and reduce debt by close corporate tax loopholes. **Pages S2614–28**

A unanimous-consent agreement was reached providing further consideration of the resolution at 9:30 a.m., on Tuesday, March 15, 2005 and that there be 16 hours and 8 minutes remaining for each side.

**Page S2656**

#### Appointments:

**John C. Stennis Center for Public Service Training and Development:** The Chair, on behalf of the Majority Leader, pursuant to Public Law 100–458, Section 114(b)(2)(c), appointed Marsha Blackburn of Tennessee, to the Board of Trustees of the John C. Stennis Center for Public Service Training and Development, for a six-year term. **Page S2656**

**Nominations Received:** Senate received the following nominations:

Charles F. Conner, of Indiana, to be Deputy Secretary of Agriculture.

Michael D. Griffin, of Virginia, to be Administrator of the National Aeronautics and Space Administration.

Robert Joseph, of Virginia, to be Under Secretary of State for Arms Control and International Security.

Kim Wang, of California, to be a Member of the National Museum and Library Services Board for a term expiring December 6, 2009.

Paul D. Clement, of Virginia, to be Solicitor General of the United States.

The following named officer for appointment to the grade indicated in the United States Marine Corps under title 10, U.S.C., section 624:

1 Air Force nomination in the rank of general.

Routine lists in the Air Force, Army, Coast Guard. **Pages S2656–59**

**Executive Communications:** **Page S2644**

**Additional Cosponsors:** **Pages S2644–46**

**Statements on Introduced Bills/Resolutions:** **Pages S2646–55**

**Additional Statements:** **Page S2643**

**Amendments Submitted:** **Pages S2655–56**

**Authority for Committees to Meet:** **Page S2656**

**Privilege of the Floor:** **Page S2656**

**Record Votes:** One record vote was taken today. (Total—45) **Page S2628**

**Adjournment:** Senate convened at 10 a.m., and adjourned at 9 p.m., until 9:30 a.m., on Tuesday,

March 15, 2005. (For Senate's program, see the remarks of the Acting Majority Leader in today's Record on page S2656.)

## Committee Meetings

(Committees not listed did not meet)

### TERRORIST TRAVEL

*Committee on the Judiciary:* Subcommittee on Immigration, Border Security and Citizenship with the Subcommittee on Terrorism, Technology and Homeland Security concluded a hearing to examine

strengthening enforcement and border security, focusing on the 9/11 Commission staff report on terrorist travel, after receiving testimony from Elaine Dezenski, Acting Assistant Secretary for Border and Transportation Security for Policy and Planning, and Thomas J. Walters, Assistant Commissioner, Office of Training and Development, Customs and Border Protection, both of the Department of Homeland Security; Doris Meissner, Migration Policy Institute, Washington, D.C.; and Janice L. Kephart, The Investigative Project on Terrorism, Mount Vernon, Virginia.

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# House of Representatives

## Chamber Action

**Measures Introduced:** 32 public bills, H.R. 1269–1290; and 1 resolution, H. Res. 152, were introduced. **Pages H1416–17**

**Additional Cosponsors:** **Page H1417**

**Reports Filed:** Reports were filed today as follows:

Filed on Friday, March 11: H.R. 1268, making emergency supplemental appropriations for the fiscal year ending September 30, 2005 (H. Rept. 109–16);

Filed on March 11: H. Con. Res. 95, establishing the congressional budget for the United States Government for fiscal year 2006, revising appropriate budgetary levels for fiscal year 2005, and setting forth appropriate budgetary levels for fiscal years 2007 through 2010 (H. Rept. 109–17); and

H. Res. 151, providing for the consideration of H.R. 1268, Making emergency supplemental appropriations for the fiscal year ending September 30, 2005 (H. Rept. 109–18). **Page H1416**

**Speaker:** Read a letter from the Speaker wherein he appointed Representative Pearce to act as Speaker pro tempore for today. **Page H1373**

**Recess:** The House recessed at 12:32 p.m. and reconvened at 2 p.m. **Page H1373**

**Committee on Ways and Means Recommendations:** Read a letter from Chairman Thomas of the Committee on Ways and Means wherein he forwarded the Committee's recommendations for certain positions for the 109th Congress. **Page H1374**

**Congressional Advisors on Trade Policy and Negotiations:** The Chair announced the Speaker's appointment of the following members of the House as Congressional Advisors on Trade Policy and Ne-

gotiations: Representatives Thomas, Shaw, Herger, Rangel, and Cardin. **Page H1374**

**Suspensions:** The House agreed to suspend the rules and pass the following measures:

*Allowing for an adjustment in the number of free roaming horses in Cape Lookout National Seashore:* H.R. 126, to amend Public Law 89–366 to allow for an adjustment in the number of free roaming horses permitted in Cape Lookout National Seashore; **Page H1375**

*Llagas Reclamation Groundwater Remediation Initiative:* H.R. 186, amended, to authorize the Secretary of the Interior, acting through the Bureau of Reclamation and in coordination with other Federal, State, and local government agencies, to participate in the funding and implementation of a balanced, long-term groundwater remediation program in California; **Pages H1375–76**

*Department of the Interior Volunteer Recruitment Act:* H.R. 584, to authorize the Secretary of the Interior to recruit volunteers to assist with, or facilitate, the activities of various agencies and offices of the Department of the Interior; **Pages H1376–77**

*Directing the Secretary of the Interior to convey certain lands to the City of Richfield, Utah:* H.R. 680, to direct the Secretary of Interior to convey certain land held in trust for the Paiute Indian Tribe of Utah to the City of Richfield, Utah; **Pages H1377–78**

*Nevada National Forest Land Disposal Act of 2005:* H.R. 816, to direct the Secretary of Agriculture to sell certain parcels of National Forest System land in Carson City and Douglas County, Nevada; **Pages H1378–79**

*Creating the Office of the Chief Financial Officer of the Government of the Virgin Islands:* H.R. 62, to create the Office of Chief Financial Officer of the Government of the Virgin Islands;

Pages H1379–81

*Western Reserve Heritage Areas Study Act:* H.R. 412, to authorize the Secretary of the Interior to conduct a study to determine the suitability and feasibility of establishing the Western Reserve Heritage Area;

Pages H1381–83

*Gullah/Geechee Cultural Heritage Act:* H.R. 694, amended, to enhance the preservation and interpretation of the Gullah/Geechee cultural heritage;

Pages H1383–86

*Providing for a land exchange involving private land and Bureau of Land Management land in the vicinity of Holloman Air Force Base, New Mexico:* H.R. 486, to provide for a land exchange involving private land and Bureau of Land Management land in the vicinity of Holloman Air Force Base, New Mexico, for the purpose of removing private land from the required safety zone surrounding munitions storage bunkers at Holloman Air Force Base;

Pages H1386–87

*Reauthorizing the TANF block grant program through June 30, 2005:* H.R. 1160, to reauthorize the Temporary Assistance for Needy Families block grant program through June 30, 2005;

Pages H1387–88

*Amending the Internal Revenue Code of 1986 to provide for the proper tax treatment of certain disaster mitigation payments:* H.R. 1134, to amend the Internal Revenue Code of 1986 to provide for the proper tax treatment of certain disaster mitigation payments;

Pages H1388–94

*Providing for the establishment of a commission in the House to assist parliaments in emerging democracies:* H. Res. 135, providing for the establishment of a commission in the House of Representatives to assist parliaments in emerging democracies, by a  $\frac{2}{3}$  yeas-and-nays vote of 386 yeas to 2 nays, Roll No. 66;

Pages H1394–98, H1403–04

*Urging the European Union to add Hezbollah to the EU's list of terrorist organizations:* H. Res. 101, amended, urging the European Union to add Hezbollah to the European Union's wide-ranging list of terrorist organizations, by a  $\frac{2}{3}$  yeas-and-nays vote of 380 yeas to 3 nays and 5 voting "present", Roll No. 67; and

Pages H1398–H1401, H1404–05

*Extending the Nazi War Crimes and Japanese Imperial Government Records Interagency Working Group for 2 years:* S. 384, to extend the Nazi War Crimes and Japanese Imperial Government

Records Interagency Working Group for 2 years, by a  $\frac{2}{3}$  yeas-and-nays vote of 391 yeas with none voting "nay", Roll No. 68—clearing the measure for the President.

Pages H1401–03, H1405

**Oversight Plan Report:** Agreed that the Committee on Government Reform have until midnight on Thursday, March 31 to file a report on Oversight Plans under Clause 2 of Rule Ten.

Page H1403

**Recess:** The House recessed at 4:42 p.m. and reconvened at 6:30 p.m.

Page H1403

**Senate Message:** Messages received from the Senate today appear on pages H1373–74 and H1414.

**Senate Referral:** S. 250 was held at the desk; and S. 256 was held at the desk.

**Quorum Calls—Votes:** Three yeas-and-nays votes developed during the proceedings of today and appear on pages H1403–04, H1404–05, and H1405. There were no quorum calls.

**Adjournment:** The House met at 12:30 p.m. and adjourned at 8:20 p.m.

## Committee Meetings

### BUILDING IRAQI SECURITY FORCES

*Committee on Government Reform:* Subcommittee on National Security, Emerging Threats and International Relations held a hearing entitled "Building Iraqi Security Forces." Testimony was heard from Joseph Christoff, Director, International Affairs and Trade, GAO; the following officials of the Department of Defense: Peter W. Rodman, Assistant Secretary, International Security Affairs; and RADM William D. Sullivan, USN, Vice-Director, Strategic Plans and Policy; and Richard A. Jones, Senior Advisor to the Secretary and Coordinator of Iraq, Department of State; and public witnesses.

### EMERGENCY SUPPLEMENTAL APPROPRIATIONS ACT FOR DEFENSE, THE GLOBAL WAR ON TERROR, AND TSUNAMI RELIEF, 2005

*Committee on Rules:* Granted, by voice vote, an open rule providing one hour of general debate on H.R. 1268, Emergency Supplemental Appropriations Act for Defense, the Global War on Terror, and Tsunami Relief, 2005, equally divided and controlled by the chairman and ranking minority member of the Committee on Appropriations. The bill shall be considered for amendment under the five-minute rule. The rule waives all point of order against consideration of the bill. The rule waives points of order against provisions in the bill for failure to comply with

clause 2 of rule XXI (prohibiting unauthorized appropriations or legislative provisions in an appropriations bill), except for Section 1113 and 1114. The rule authorizes the Chair to accord priority in recognition to Members who have pre-printed their amendments in the Congressional Record. The rule provides one motion to recommit with or without instructions. Finally, the rule provides that upon the engrossment of H.R. 1268, the Clerk shall add the text of H.R. 418 as passed by the House as new matter at the end of H.R. 1268, and conform the title of H.R. 1268 to reflect the addition. Testimony was heard from Chairman Lewis of California and Representatives Obey, Stupak, Hooley of Oregon, Reyes and Tierney.

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## COMMITTEE MEETINGS FOR TUESDAY, MARCH 15, 2005

*(Committee meetings are open unless otherwise indicated)*

### Senate

*Committee on Agriculture, Nutrition, and Forestry:* to hold hearings to examine school nutrition programs, 10 a.m., SH-216.

*Committee on Appropriations:* Subcommittee on Transportation, Treasury and General Government, to hold hearings to examine proposed budget estimates for fiscal year 2006 for the Department of Transportation, 9:30 a.m., SD-138.

Subcommittee on Labor, Health, and Human Services, Education, and Related Agencies, to hold hearings to examine proposed budget estimates for fiscal year 2006 for the Department of Labor, 10:30 a.m., SD-124.

Subcommittee on Energy and Water, to hold hearings to examine proposed budget estimates for fiscal year 2006 for the Office of Energy Efficiency and Renewable Energy, the Office of Science, and the Office of Nuclear Energy, Science and Technology in the Department of Energy, 2 p.m., SD-124.

Subcommittee on Military Construction and Veterans' Affairs, to hold hearings to examine Department of Veterans Affairs budget overview, 2:30 p.m., SD-138.

*Committee on Armed Services:* to resume hearings to examine military strategy and operational requirements from combatant commanders in review of the Defense Authorization Request for fiscal year 2006, 9:30 a.m., SD-106.

Subcommittee on Airland, to hold hearings to examine Army Transformation and the Future Combat System in review of the Defense Authorization Request for fiscal year 2006, 2:30 p.m., SR-232A.

Full Committee, to hold hearings to examine the nomination of Anthony Joseph Principi, of California, to be a Member of the Defense Base Closure and Realignment Commission, 4:30 p.m., SR-222.

*Committee on Energy and Natural Resources:* Subcommittee on National Parks, to hold hearings to examine S.175, to establish the Bleeding Kansas and Enduring Struggle for

Freedom National Heritage Area, S.322, to establish the Champlain Valley National Heritage Partnership in the States of Vermont and New York, S.323, to authorize the Secretary of the Interior to study the suitability and feasibility of designating the French Colonial Heritage Area in the State of Missouri as a unit of the National Park System, and S.429, to establish the Upper Housatonic Valley National Heritage Area in the State of Connecticut and the Commonwealth of Massachusetts, 2:30 p.m., SD-366.

*Committee on Foreign Relations:* to hold hearings to examine the nominations of Howard J. Krongard, of New Jersey, to be Inspector General Department of State; to be followed by a hearing to examine the nominations of John Thomas Schieffer, of Texas, to be Ambassador to Japan, Joseph R. DeTrani, of Virginia, for the rank of Ambassador during his tenure of service as Special Envoy for the Six Party Talks, and Christopher R. Hill, of Rhode Island, to be an Assistant Secretary of State for East Asian and Pacific Affairs, 9:30 a.m., SD-419.

Full Committee, business meeting to consider the nominations of Howard J. Krongard, of New Jersey, to be Inspector General, Department of State, Joseph R. DeTrani, of Virginia, for the rank of Ambassador during his tenure of service as Special Envoy for the Six Party Talks, John Thomas Schieffer, of Texas, to be Ambassador to Japan, Christopher R. Hill, of Rhode Island, to be an Assistant Secretary of State for East Asian and Pacific Affairs, R. Nicholas Burns, of Massachusetts, to be an Under Secretary of State for Political Affairs, C. David Welch, of Virginia, to be an Assistant Secretary of State for Near Eastern Affairs, John B. Bellinger, of Virginia, to be Legal Adviser of the Department of State, David B. Balton, of the District of Columbia, for the rank of Ambassador during his tenure of service as Deputy Assistant Secretary of State for Oceans and Fisheries, Rudolph E. Boschwitz, of Minnesota, for the rank of Ambassador during his tenure of service as Representative of the United States of America on the Human Rights Commission of the Economic and Social Council of the United Nations, and promotion lists in the Foreign Service, 2:15 p.m., S-116, Capitol.

*Committee on Homeland Security and Governmental Affairs:* Oversight of Government Management, the Federal Workforce, and the District of Columbia, to hold oversight hearings to examine ensuring the success of the National Security Personnel System, focusing on the proposed regulations jointly published by the Department of Defense and Office of Personnel Management for the National Security Personnel System, 10 a.m., SD-342.

*Committee on the Judiciary:* Subcommittee on Terrorism, Technology and Homeland Security, to hold hearings to examine the OPEN Government Act of 2005 relating to openness in government and freedom of information, 10 a.m., SD-226.

Full Committee, to hold hearings to examine the SBC/ATT and Verizon/MCI mergers relating to remaking the telecommunications industry, 2:30 p.m., SD-226.

*Select Committee on Intelligence:* closed business meeting to consider certain intelligence matters, 3:30 p.m., SH-219.

*Special Committee on Aging*: to hold hearings to examine exploring the economics of retirement, 10 a.m., SD-562.

### House

*Committee on Appropriations*, Subcommittee on the Department of Homeland Security, on Customs and Border Protection, 10 a.m., 2360 Rayburn.

Subcommittee on the Department of Labor, Health and Human Services, Education, and Related Agencies, on Health Resources and Services Administration, 10 a.m., 2358 Rayburn.

Subcommittee on Energy and Water Development, and Related Agencies, on Department of Energy—Science, Nuclear Energy and Renewable Energy/Conservation, 10 a.m., 2362B Rayburn.

Subcommittee on Science, The Departments of State, Justice, and Commerce, and Related Agencies, on Members of Congress, 10:30 a.m., H-309 Capitol.

*Committee on Armed Services*, Subcommittee on Projection Forces, hearing on the Fiscal Year 2006 National Defense Authorization budget request—Naval Critical Enablers, 9 a.m., 2212 Rayburn.

Subcommittee on Readiness, hearing on the Fiscal Year 2006 National Defense Authorization budget request for Military Construction, Family Housing, Base Closures, and Facilities Operations and Maintenance, 2 p.m., 2118 Rayburn.

Subcommittee on Strategic Forces, hearing on the Fiscal Year 2006 National Defense Authorization budget request for Missile Defense Programs, 9 a.m., 2118 Rayburn.

Subcommittee on Terrorism, Unconventional Threats and Capabilities, hearing on the Fiscal Year 2006 National Defense Authorization budget request—Department of Defense responsibilities in homeland defense and homeland security missions, 3 p.m., 2212 Rayburn.

*Committee on Education and the Workforce*, Subcommittee on 21st Century Competitiveness, hearing entitled “Welfare Reform: Reauthorization of Work and Child Care,” 10 a.m., 2175 Rayburn.

*Committee on Energy and Commerce*, Subcommittee on Commerce, Trade, and Consumer Protection, hearing entitled “Protecting Consumer’s Data: Policy Issues Raised by Choice Point,” 10 a.m., 2123 Rayburn.

*Committee on Financial Services*, Subcommittee on Capital Markets, Insurance, and Government Sponsored Enter-

prises, hearing entitled “Regulation NMS: The SEC’s View,” 10 a.m., 2128 Rayburn.

*Committee on International Relations*, oversight hearing on United Nations Reform: Challenges and Prospects, 2:30 p.m., 2172 Rayburn.

*Committee on the Judiciary*, Subcommittee on Commercial and Administrative Law, hearing on H.R. 800, Protection of Lawful Commerce in Arms Act, 10 a.m., 2141 Rayburn.

Subcommittee on Crime, Terrorism and Homeland Security, oversight hearing on the Department of Homeland Security to Examine the Security of the Nation’s Seaports and the Cargo Entering Those Ports, 3 p.m., 2141 Rayburn.

*Committee on Resources*, Subcommittee on Water and Power, oversight hearing on the Power Marketing Administrations’ Role in Bringing Our Nationwide Electricity Transmission System into the 21st Century, 10 a.m., 1324 Longworth.

*Committee on Rules*, to consider H. Con. Res. 95, Establishing the congressional budget for the United States Government for fiscal year 2006, revising appropriate budgetary levels for fiscal year 2005, and setting forth appropriate budgetary levels for fiscal years 2007 through 2010, 3:30 p.m., H-313 Capitol.

*Committee on Science*, Subcommittee on Environment, Technology, and Standards, to mark up the following bills: H.R. 50, National Oceanic and Atmospheric Administration Act; H.R. 798, Methamphetamine Remediation Research Act of 2005; and H.R. 250, Manufacturing Technology Competitiveness Act of 2005, 1 p.m., 2318 Rayburn.

*Committee on Transportation and Infrastructure*, Subcommittee on Aviation, oversight hearing on Lasers: A Hazard to Aviation Safety and Security? 10 a.m., 2167 Rayburn.

*Committee on Ways and Means*, Subcommittee on Health, hearing on Measuring Physician Quality and Efficiency of Care in Medicare, 10 a.m., 1100 Longworth.

Subcommittee on Human Resources, to mark up H.R. 240, Personal Responsibility, Work, and Family Protection Act of 2005, 1 p.m., B-318 Rayburn.

*Permanent Select Committee on Intelligence*, executive, hearing on the Budget, 1 p.m., H-405 Capitol.

Next Meeting of the SENATE

9:30 a.m., Tuesday, March 15

Next Meeting of the HOUSE OF REPRESENTATIVES

9 a.m., Tuesday, March 15

Senate Chamber

Program for Tuesday: Senate will continue consideration of S. Con. Res. 18, Concurrent Budget Resolution.

House Chamber

Program for Tuesday: Begin consideration of H.R. 1268, Emergency Supplemental Wartime Appropriations Act (open rule, one hour of general debate).

Extensions of Remarks, as inserted in this issue

HOUSE

Berry, Marion, Ark., E441  
 Burgess, Michael C., Tex., E433, E434, E436  
 Cramer, Robert E. (Bud), Jr., Ala., E437  
 Cuellar, Henry, Tex., E436, E437, E438, E438, E439,  
 E440, E441, E442, E442, E442  
 DeLauro, Rosa L., Conn., E436  
 Eshoo, Anna G., Calif., E437

Hastert, J. Dennis, Ill., E433  
 Kennedy, Patrick J., R.I., E435  
 Kildee, Dale E., Mich., E442  
 Kucinich, Dennis J., Ohio, E435  
 Lee, Barbara, Calif., E437  
 Miller, Jeff, Fla., E434  
 Moran, James P., Va., E438  
 Musgrave, Marilyn N., Colo., E435  
 Porter, Jon C., Nev., E434, E435

Ruppersberger, C.A. Dutch, Md., E439  
 Schiff, Adam B., Calif., E433, E435  
 Slaughter, Louise McIntosh, N.Y., E442  
 Tauscher, Ellen O., Calif., E437  
 Thompson, Mike, Calif., E434  
 Towns, Edolphus, N.Y., E438, E439, E439, E440, E441  
 Wicker, Roger F., Miss., E440  
 Wilson, Heather, N.M., E441  
 Wynn, Albert Russell, Md., E436



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